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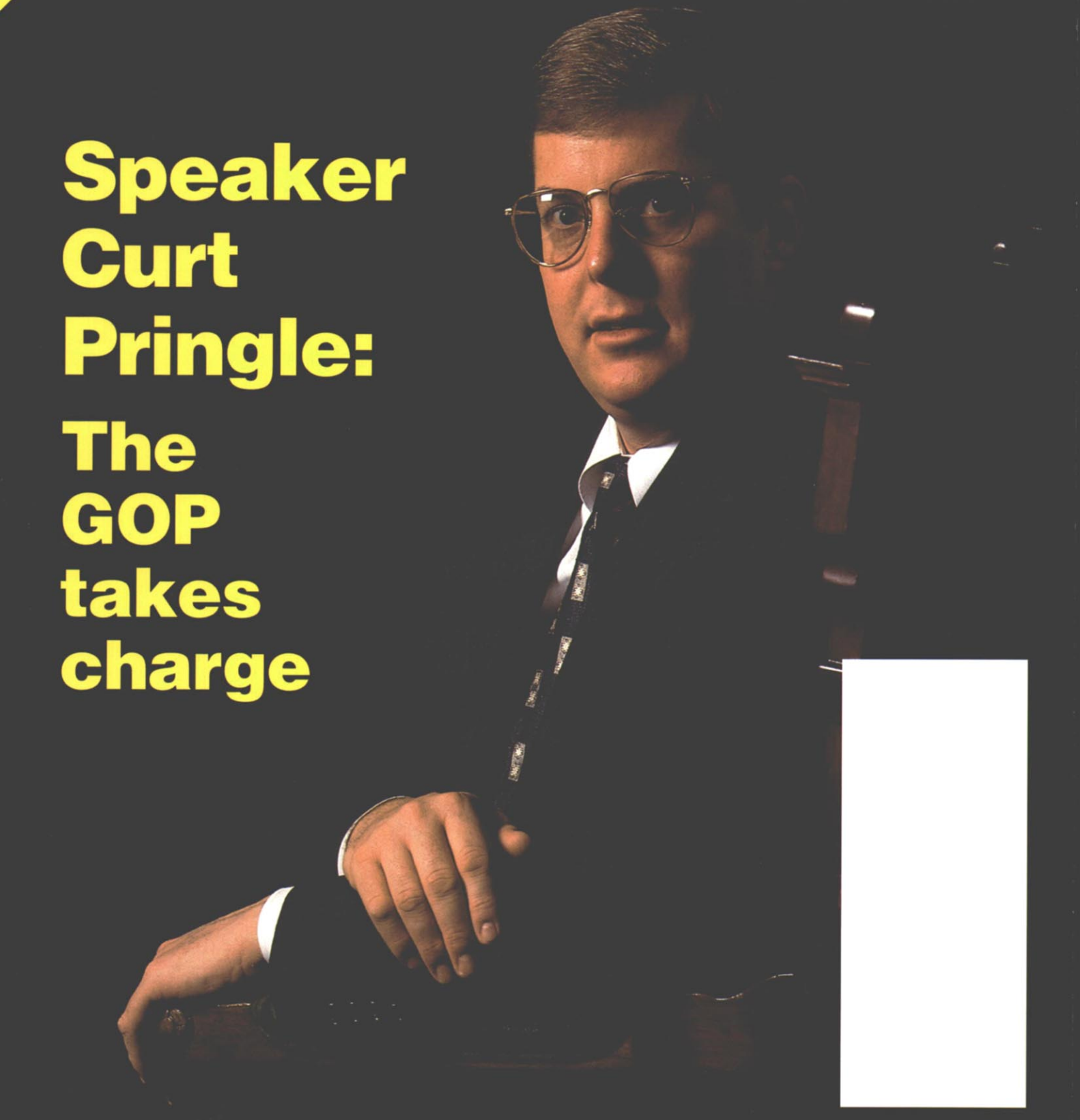

Speaker Curt Pringle: The GOP takes charge

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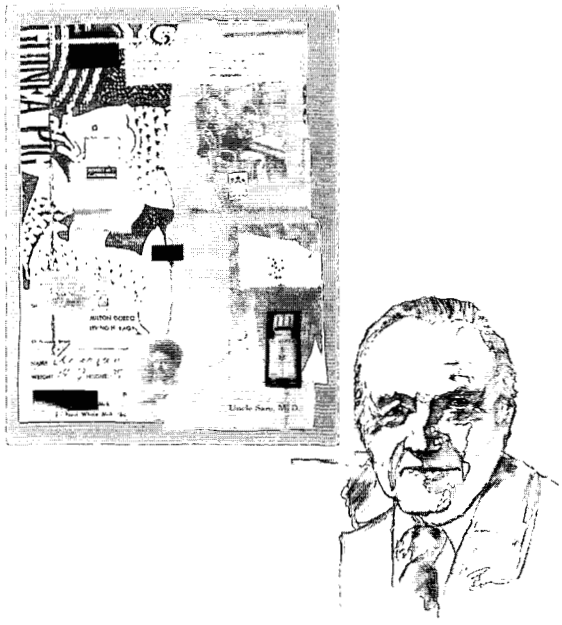

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Assembly Speaker Curt Pringle
Photography by Rich Pedroncelli

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Upfront
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The Mad Hatter. San Francisco Mayor Willie Brown Jr. set a lot of fashion trends during his 33-year career in the Assembly. Well, hizzoner's doing it again in his new job. Seems when Willie showed up at his inaugural in January sporting a felt fedora by the Italian hatmaker Borsalino, it touched off a craze that has swept San Francisco. One shop in particular — Mrs. Dewson's Hats, which supplied Brown's own — has been deluged with requests for Borsalinos. Naturally, these are no run-of-the-mill fedoras. Brown's cost $400 a pop, and he now owns three. And who said Willie couldn't maintain his lifestyle on the mayor's paltry salary?

The people speaketh. It may have come from Brown University by way of the *Providence Journal* in Rhode Island, but the poll took in 400 respondents scattered throughout the country and provided an unsettling snapshot of how Americans view their government and — more important — their political system. The good news — more people think the system should not be torn out by the roots than want to see it chopped to pieces. But not many more. According to the *Journal*, 44 percent agreed that the political system was so bad that the "only solution was to pull it up by the roots." Only 49 percent disagreed with the statement. Only 14 percent trusted public officials most of the time to do the right thing; 36 percent didn't trust them very much at all. And a mere 18 percent expressed complete satisfaction with the effectiveness of American democracy; 30 percent were not very satisfied. And cynicism seems to be alive and well. A whopping 79 percent felt that public officials advocate what they think is popular, against 14 percent who thought officials advocated what they think is right.

Just charge it. It was inevitable, of course. Now, thanks to new merchant accounts established by Superior Bankcard Service and the National Bank of the Redwoods, political campaigns are ready to accept campaign contributions via credit card. Want to give Bob Dole a thou? Just ring it up on your Visa, American Express, Mastercard or ATM card. And the next trend? Want to show your loyalty to Pat Buchanan or Bill Clinton or your local Assembly wannabe? Just apply for a Visa card emblazoned with the likeness of your favorite pol.

Portrait of a campaign theme. Two years ago, when Republican Barry Hammond was running for the Assembly in Orange County, his consultant was Sacramentan Wayne Johnson. One of Hammond's mailers focused on illegal immigration and the then-battle over Proposition 187. The mailer featured a photo of people streaming across the California-Mexico border and was headlined: "This isn't 'immigration.' This is an invasion. And you're paying for it. Barry Hammond says, 'Enough is enough.'" The four-page piece then went on to detail what Hammond saw as the problem, and a five-point program for dealing with it. Hammond lost his GOP primary in AD 70 to now-Assemblywoman Marilyn Brewer, but his message on illegal immigration seems to have lived on without him in the form of Bill Campbell, GOP candidate in AD 71 in last month's primary. Campbell recently sent out a mailer that is — uh — exactly, word for word, the same as Hammond's '94 missive. Even the five-point remedy is exactly the same. So, is Wayne Johnson merely recycling campaign fodder on behalf of another candidate? Not exactly. Johnson isn't working for Campbell. In fact, he's working for Campbell's *opponent* — former Orange Mayor Jim Beam. Is it plagiarism? Not according to Mark Thompson, the Irvine consultant who's handling Campbell's campaign. The same brochure was used in several Johnson-run campaigns, including the '94 effort of Senator Maurice Johannessen (R-Redding), said Thompson, so the fact that the ideas are the same means nothing; Campbell supports them. And did Thompson rush this brochure into the Campbell-Beam tussle before Beam could use it? Frankly, yes, said Thompson, adding, "Wayne Johnson's been tweaking me here and there, so I thought I'd get even with him."

Guilty. The short arm of the law dipped into the office of Assembly Speaker Curt Pringle (R- Garden Grove) last month to nab Pringle aide Mark Denny. Denny, 27, admitted to his role in trying to put a Democratic candidate on the ballot in the December 1995 recall election of former Assembly Speaker Doris Allen (R-Cypress). The candidate — Laurie Campbell — was bounced from the election by a Sacramento judge after questions arose over her nominating petitions. Campbell signed an affidavit to the effect that she personally gathered the signatures on those petitions when, in fact, they had been collected by Denny — among others (see *CJ*, January 1996). Denny, who worked in Pringle's district office, resigned in March after pleading guilty to one misdemeanor count of falsifying a nominating paper. He was given three years' probation. According to *The Sacramento Bee*, he was the third GOP staffer to plead guilty in connection with Campbell's bogus candidacy. The other two were Jeff Gibson, who managed the Allen recall, and Richard Martin, an aide to Assemblyman Scott Baugh (R-Huntington Beach), who won Allen's seat in the same election that recalled the former speaker. Another Republican staffer implicated in the affair is Rhonda Carmony, a campaign aide to Congressman Dana Rohrabacher (R-Newport Beach). Carmony has yet to be indicted, and Rohrabacher insisted in an interview with *The Bee* that Carmony had done nothing illegal or unethical. Baugh, too, has denied any knowledge of a plan to recruit Campbell, although the freshman lawmaker and Campbell have been acquainted for

Continued on next page

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Rostrum letters

LEARN plan

In response to your "Two Cents" column from December 1995, "A dream divided," you wrote that the *Journal* could not identify anyone involved in education as a shaper of California's future but that "perhaps in a year or two, the folks at LEARN in Los Angeles may come to the fore." The LEARN documents are the strategic plan of the Los Angeles Unified School District, the state's largest. Implementation of the LEARN vision is underway in 192 Los Angeles public schools. The comprehensive nature of this education reform effort is of a scope far beyond any other reform effort in the nation. The credit for this effort extends across the school district and the larger Los Angeles community. Your phrase "the folks at LEARN..." seems to belittle the magnitude of these achievements. I would encourage you to devote a feature story to the status of the LEARN effort. Our story speaks to the enormous challenges facing California public schools as well as to the promise of concerted community action at the local level.

MARK SLAVKIN
President
Los Angeles Board of Education

Budget deficits

Your "Bottom Line" column in the December 1995 *California Journal* denigrating the need for a balanced budget is a sad commentary on the author's economic education and understanding. If she really believes that a budget with 16 percent going to interest is no big deal, she will love future budgets when 25 percent or more is required for interest payments only. When the various entitlement groups — the elderly, the veterans, the non-profits, the corporations, the indigent — are willing to accept some mutual sacrifice, such as a reduced growth in benefits, then the national budget will again inspire some confidence. An argument can be made that deficit budgets are defensible for war or severe economic dislocations (i.e. depressions). Even the 1980s' deficits can be tied to winning the Cold War. But now, with debt interest requirements almost equaling national defense allocations in the 1996 budget, the time has come to put the deficit genie back into the bottle for ourselves and future generations.

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years and even worked for the same law firm in the 1980s, when both lived in Sacramento. For his part, Pringle has insisted all along that he knew nothing of the Campbell shennanigan until after the fact. But this crummy little episode of a political dirty trick has been bouncing around since last November, and all the Assembly speaker has had to say about it is, "Hey, wasn't me. Didn't know." Sorry, Mr. Speaker. The ethical tone in any operation filters down from the top. When approached to perform his role in the Campbell prank, Mark Denny did *not* say, "Sorry, that's wrong, and my boss wouldn't put up with it." At no time has Pringle himself even commented on the nature of the activity. It might be nice if the Assembly's most powerful member stepped forward to say, "What these people did was wrong and I condemn it."

"A friend is a sane man who exercises not my ingenuity, but me."
— Ralph Waldo Emerson

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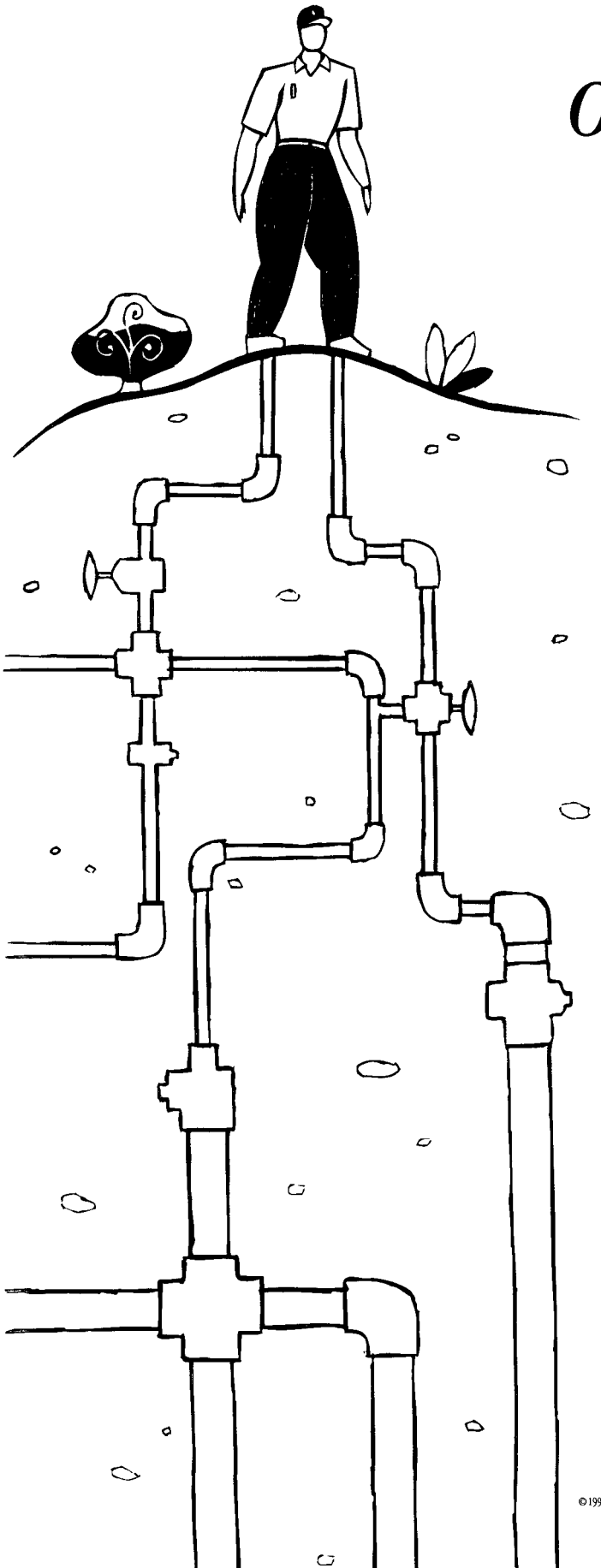

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Fade from

Curt Pringle, the first "legitimate" Republican speaker since 1970, faces the difficult task of finding enough common ground with Democrats to enact some of the GOP agenda while at the same time remaining true to his conservative principles.

by John Borland

Curt Pringle, recently elected Republican speaker of the California Assembly, stood at a luncheon podium, addressing a group of journalists and public-relations officers, warming up the crowd with a story about his children's science fair projects. A square-spectacled man whose boyish face broke into a nervous smile at his own jokes, Pringle, who hails from Orange County, was still struggling against the ghost of Willie Brown Jr., the flamboyant San Francisco Democrat who had held both the office and the press corps' rapt attention for 15 years.

Pringle's story was drifting out of control — a fact made clear by the color of his face, which turns a habitual red when he is angry or embarrassed, and by the uncertain laughs drifting up from the audience, many of whom were learning far more about the reproductive organs of sharks than they had ever expected to know. After discussing the number and location of the pickled shark's ovaries, Pringle revealed that the specimen

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Brown

Photos by Rich Pedroncelli

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(Clockwise) Pringle with: Marguerite Archie-Hudson and Willie Brown Jr.; Brian Setencich; Doris Allen.

had been pregnant, and with obvious relief rushed too quickly through the story's punch line: "... So this shark literally had eight babies, and as a pro-life legislator we had the opportunity to dissect nine sharks that all qualified..."

There was little audience reaction, and Pringle quickly moved forward to more comfortable ground — a discussion of the Assembly Republican Caucus' legislative agenda. And here he gained his stride, able to do battle with Brown's shade from a position of strength. Curt Pringle is a policy man, a deeply conservative political technician skilled at selling his ideas to his allies and at moving as much of his agenda as practically possible from point A to point B. He is not the natural charismatic diplomat that was Willie Brown; when leaving the world of legislative and electoral details, his shark stories, for instance, swim somewhat astray. What he does share with Brown is a single-minded dedication to keeping power in his hands and in those of like-minded lawmakers. His relentless pursuit of the Assembly's top seat has finally won the GOP uncontested control over the Assembly's agenda for the first time in 25 years.

Pringle was born in western Iowa and grew up in Orange County, bookends of American conservatism. His family moved to Southern California in 1968 to launch a chain of dry-cleaning outlets. Pringle and his family now are in the vertical-blind business, a late 1980s change prompted in part by the strict government regulation facing dry cleaners. Pringle's political focus began early, stemming from involvement in the Boy Scouts and also linked to what he perceived as the burdens imposed on the family business

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by government. As a teenager, he dropped in on a city council session, returned for several more, and was hooked. "He attended more meetings than some of the council members for a while," remembers his father, Larry Pringle.

Pringle first ran for the city council at age 20. He lost, but the race inched him into the local political establishment. Over the next several years, while working for his father's business, he served on several local boards and volunteered substantial time on behalf of the county GOP organization. He moved up quickly in the party hierarchy, putting himself in position for an Assembly bid in 1988 at age 29.

The opportunity to run for the position proved something of a harbinger of both his ambition and success. The seat's GOP incumbent — the late Richard Longshore — died the day after the primary, allowing the county party organization to select a replacement. Ten people applied for the spot, Pringle says, including Congressman Bob Dornan's chief of staff, the wife of the deceased nominee, a local representative of then-U.S. Senator Pete Wilson, and a Santa Ana city councilman. But the honor went to Pringle, then a vice-chairman of the county party. "I knew that the people I needed to talk to to gather those votes were the membership of the central committee," Pringle says. "I was in a strong position to obtain the necessary votes."

The general election campaign against Democrat Rick Thierbach itself was messy and expensive, but it was Election Day that seared Pringle's name into the minds of political observers statewide, and nearly doomed him to one nondescript term in Sacramento. The GOP county central committee, claiming to be worried about Democrats busing in noncitizens to vote, hired a group of uniformed security guards and stationed them at the district's most Democratic precincts. The guards allegedly approached Latino voters, asking if they were citizens. Pringle won by a scant 800 votes, and Democrats erupted, calling for an investigation into the hiring of the guards.

Pringle says he did not know about the decision until Election Day but offers no apology. "There was a lot of concern ... that some of the Democratic precincts in that district had had a surprising increase in Democratic registration towards the very end," he says, noting that a Democratic staffer in the area was later indicted on multiple counts of voter fraud. "Those happened to be 20 precincts down in Santa Ana that happened to be the most unsafe areas in the district," he adds.

"That was a single effort by a campaign manager," says Orange County GOP Chairman Tom Fuentes, whose organization was responsible for funding the guards. "Curt was maligned, and he showed what a good man he is by sustaining himself and our cause though that contrivance." A federal lawsuit filed against the county party was eventually settled out of court for $400,000, to be paid by the party's insurance.

The controversy helped to turn Pringle's first Assembly term into an exercise in legislative futility. He chalks it up simply to the fact that his swing district made him a target from day one; but whatever the cause, his first-year influence extended little beyond his ability to cast floor votes in support of the minority GOP caucus. "I have a very strong knowledge and history of how the command and control of this place operated under the former regime," Pringle says. "Willie Brown selected an office for me, created the sixth floor office for me. ...They put us onto the worst committees, gave us the smallest budget, and virtually every bill that I

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introduced that somebody liked, they took it from me."

The freshman legislator lost to Democrat Tom Umberg in an expensive 1990 campaign, and returned to his father's business. But in 1992, he ran in a substantially more Republican Assembly district, easily beat two moderate primary challengers, and walked over his Democratic opponent. He returned to the house with some seniority in place and quickly rose through the leadership ranks, serving as whip and assistant caucus leader. And when then-Minority Leader Jim Brulte (R-Rancho Cucamonga) stepped down from the post last summer, Pringle was positioned to replace him.

For a year after the sweeping 1994 GOP election wins in the Assembly, Brown stymied Republican efforts to elect their own speaker, (see *CJ*, December 1995). In January of this year, Pringle finally accomplished with a political battering ram what Brulte never could, keeping all but one of the house's Republican votes — Setencich's own — behind him in his bid for the top spot. There is no small irony in the fact that it finally took Brown's own departure, to become mayor of San Francisco, for Republicans to break down the gates.

I solicited help from anyone that was willing. The issue of control of the state Assembly affects all Republicans, all Californians, and for that matt has national implications... I am not bashful, I asked for help. — Pringle

But Brown's exit was only one of two events needed to set the stage for Pringle's ascension. The first was the recall and replacement of Allen with a GOP loyalist — a campaign that brought another round of ethical questions close to Pringle's doorstep. While Allen's district was overwhelmingly Republican, there were initially several competitive GOP candidates seeking to replace her, and some observers feared a split vote could allow a Democrat to slip into the seat. Conveniently enough, two Democrats also graced the ballot, one of them an unknown legal secretary named Laurie Campbell. Her candidacy was challenged in court by Orange County Democrats, who alleged that she was a GOP plant put on the ballot to diffuse the Democratic vote. A Sacramento judge, while not addressing Campbell's Democratic credentials, nonetheless tossed her out of the election because she had not personally gathered the signatures needed to put her on the ballot despite signing an affidavit to that fact. Only later was it revealed that Campbell was a friend of the eventual, Pringle-backed winner, now-Assemblyman Scott Baugh, and that a Pringle staffer and a staffer of GOP Congressman Dana Rohrabacher had been among those helping to gather Campbell's signatures.

Pringle himself denies any involvement in or foreknowledge of the Campbell project. "What my staffer did was one day. He was called by someone without my knowledge. He went with them, and he collected signatures, according to what I have determined, on one day," he says. "That's the extent of what I know of his involvement... I did not know of that on that one day."

Given the apparent Republican involvement in the signature-gathering effort, Pringle says it probably is not surprising that the people involved would have called his office, but insists he was not informed until considerably afterward. As to the offending staffer? "He was reprimanded for violating the internal policies of this office, and [put] back to work," Pringle says. The aide later resigned after pleading guilty to misdemeanor charges of election fraud.

Meanwhile, to become speaker, Pringle had to oust then-Speaker Setencich, who could hold the job by enticing one Republican vote away from Pringle. Setencich spent the winter break traveling the state, promising to turn committee majorities and control over resources back to the GOP caucus. Pringle responded with repeated admonitions that Republicans must be allowed to choose their own leader — i.e., Pringle. Several weeks before the resumption of session in January, Assemblyman Trice Harvey (R-Bakersfield) announced he would support Setencich's speakership if a few conditions were met.

But Pringle brought Harvey back into line by marshalling some big GOP guns and having them fire salvos across Harvey's bow. "I am a realist," Pringle now says. "I knew that it was a difficult task, and I never ever assumed that I could do it alone." The GOP leader's reinforcements began to assemble midway through the winter break, when Assembly Republicans received a letter from the state GOP asking them to sign a pledge promising to support the caucus majority's choice for speaker. Around the same time, Governor Pete Wilson began to pressure Republicans viewed as possible Setencich supporters, forcefully arguing Pringle's case. And when Harvey appeared ready to go south, word filtered down from national GOP congressional campaign circles that support for Harvey's forthcoming bid for Congress just might hinge on his support for Pringle.

"I solicited help from anyone that was willing," Pringle says. "The issue of control of the state Assembly affects all Republicans, all Californians, and for that matter has national implications... I am not bashful, I asked for help." Harvey snapped under the pressure, and Pringle had the job.

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Pringle moved quickly to establish his own identity, selling the former speaker's state-owned Cadillacs and replacing them with a more prosaic sedan, closing some of the more suspicious outlying Majority Services offices, and promising a wide-ranging audit of house operations. But he also quickly consolidated power as Brown might have, giving Republicans supermajorities on the vital fiscal, rules, and other "juice" committees.

Despite this early show of confidence, Pringle's narrow victory in an incomplete house gives him a tenuous grasp on the reins of power. He has the respect and loyalty of most of the Republican caucus, and once Brulte leaves, he will be its senior member. "In choosing a speaker, we couldn't have done a better job," says fellow Orange County Assemblyman Mickey Conroy (R-Orange).

But the speaker cannot afford to lose the support of a single Republican, a situation that ties Pringle's hands in the guidance of his caucus. "One thing Willie Brown always did — he had a lot of screwballs and crazies in the Democratic caucus, but he was always able to keep them on a short leash," says Tony Quinn, a former legislative staffer and GOP analyst, noting that Pringle lacks the two- or three-member cushion to be able to act similarly.

This was evident in January's final days, when the GOP caucus finally managed to pull its economic agenda — a myriad of tax cuts, tort-reform bills, regulation roll-backs, and welfare restructurings — out of committee and pass the bills in a rapid-fire series of sessions. But at the same time, the press and much public attention fixed on a few social bills: a roll-back of motorcycle helmet laws, an ultimately unsuccessful bill for paddling graffiti vandals, a ban on same-sex marriages. In the days since, Pringle has been single-minded in his explication of the economic issues, but says he had no power or desire to stop members from pushing their own bills.

"There is absolutely no question that there are 41 intelligent Assembly Republicans here that have many ideas and they will introduce bills on their own," Pringle said. "In terms of what our agenda is, that doesn't mean that we will not ever vote on anything else, that we won't consider and debate other important things that affect our lives."

Which is not to say that Pringle — and Brulte, who the caucus still looks up to as the political whiz who fashioned its new-found majority during the 1994 elections — won't sometimes give pointed advice. "Pringle and Brulte are right in tune with each other," Conroy says. "We do debate the issues, but they usually win, because their arguments are better."

The realities of the job may have served to moderate Pringle's tone in the house. One of the most staunchly social and economically conservative legislators in the caucus, Pringle now has the difficult task of getting as much of the conservative agenda through the house as possible, and still trying to work out enough compromises with the Democrat-led state Senate to pass some significant legislation.

"There are people here on both sides that I consider 100 percenters," Pringle says. "They want to get all or nothing. I don't necessarily view the legislative process that way." He and Senate President pro Tempore Bill Lockyer (D-Hayward) have set up a conference committee structure to examine the GOP Assembly bills for points of compromise. But new dangers will arise when budget time rolls around, and Pringle will likely have to win over even the "100-percenter" pro-life members of his own caucus, some of whom have never supported a budget, before Assembly Democrats will provide enough votes to muster the 54-vote requirement.

Democrats view the new speaker with suspicion. "Unlike some of his [caucus]... he does see a role for government," says Assembly Minority Leader Richard Katz (D-Sepulveda). But "it's not clear to what extent he can rein in some of the more extreme elements of the caucus," he adds.

It will be the 1996 campaigns that ultimately decide Pringle's future. As leader of the GOP Assembly election team, he needs to hold his razor-thin majority in order to retain his speakership, and desperately wants to pick up a small safety margin. But storm clouds are gathering on November's horizon. Quinn underlines the fact that Pringle's best-laid strategies could thus be caught in an electoral riptide. "I think has fate is determined by factors beyond his control," Quinn says. "Just like 1994 was beyond Brown's control."

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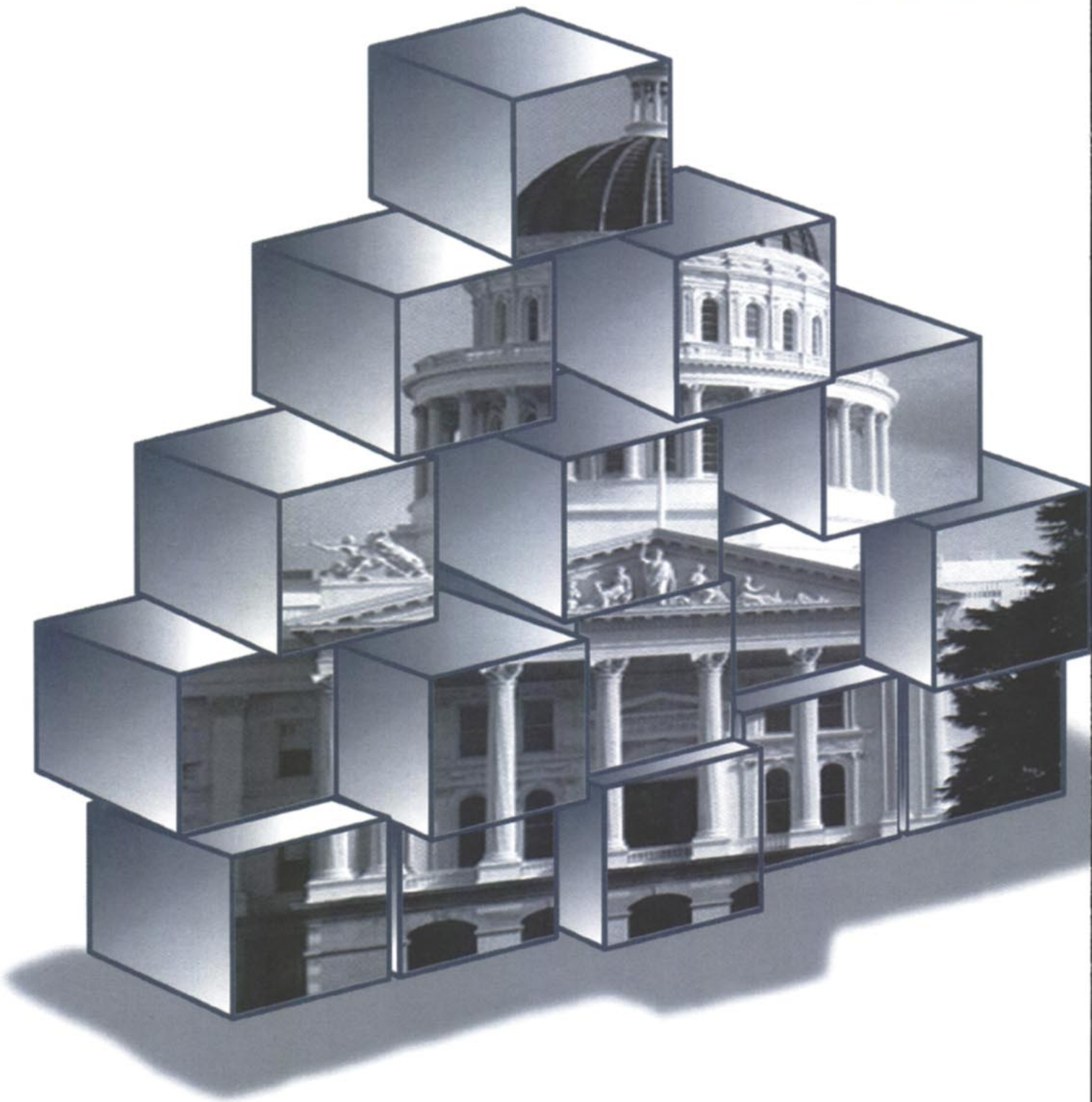

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Constitution

Revision Commission is poised to offer a bold revamp of the state constitution. But is an election-year Legislature ready to receive it?

by Steve Scott

Picture, if you will, a latter-day Gulliver — a tempest-tossed traveler deposited, over the course of his voyages, onto the shores of three very different, uncharted kingdoms. The first is a land ruled entirely by architects — a veritable Oz of structural sculpture. Nobody inhabits any of these majestic palaces of masonry, steel and glass — built to be seen, after all — but the view is magnificent. The second kingdom is also marked by its architecture — row after row of practical, uninspired structures, each looking remarkably like the other. Here, the general contractors rule. Nobody's moved into these buildings either, as none of them are quite finished, but the contractor-kings promise the city will be done as soon as the weather clears.

Having seen the first two kingdoms, it is inevitable that our inveterate traveler will alight on the land of the sub-contractors. Here is perhaps the strangest sight of all. Despite an army of technicians skilled in every phase of construction, the land is practically bare — no houses, no offices, not even a gas station. The only structure to be seen for miles is a large insane asylum in the center of town.

Housed within the asylum? Why, architects and general contractors, of course. After all, only crazy people would keep asking them to do things that everyone knows can't be done.

For most of the last two years, the California Constitution Revision Commission has occupied the policy equivalent of the land of the architects. Convened in 1994 with a mandate to fix what's

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broken about the state's Rube Goldberg system of governance, the 20-member commission has produced a set of recommendations remarkable in its breadth and sophistication. But as the commission prepares its final reform package this month, its role has changed. No longer mere architects, the commission members must now find a way to get the thing built despite a growing chorus of special-interest doomsayers, each with their own particular nit to pick. They must also make believers of the Legislature, which will decide how much of the commission's work will be placed before voters on the November ballot, or whether any will be placed there at all.

"It would be much easier to do this job in Nevada," conceded Commission Chairman William Hauck.

For most of the revision commission members, the journey they have taken over the last two years must seem every bit as long as Gulliver's travels, if not quite as strange. Hauck —a vice president for StateNet, *California Journal*'s parent company — and executive director Fred Silva spent more than a year guiding the commission through what may have been the longest-running policy seminar in the history of state government. Every internal organ of the state constitution was examined, dissected, reassembled and dissected again. Commission meetings were taken on the road, public hearings were held via satellite, and every interest group with a stake in the system weighed in, often several times.

Out of that process emerged a remarkable level of consensus and a thick set of preliminary recommendations.

Constitutional Checklist

key recommendations of the Constitutional Revision Commission

Legislative Branch

- Lengthen term limits, giving legislators three, four-year terms in each house.
- Shorten legislative sessions
- Forfeit pay when budget is late
- Provide state retirement benefits for legislators

Executive Branch

- Gov. and Lt. Gov. run together as ticket
- Gov. still in power, even when out of state
- Treasurer, Ins. Comm. Supt. of Pub. Instr. appointed, rather than elected
- Consolidate Bd. of Equalization and Franchise Tax Bd.
- Reduce terms of UC Regents

State Budget

- Majority vote to pass budget
- Two-year budget, with rebalancing act after first year
- Authorize single trailer bill for budget
- Require phased-in 3% budget reserve
- Limit short-term borrowing authority
- Outcome-based performance criteria
- Five-year capital outlay plan

K-12 Education

- Declare K-12 education a "fundamental state interest"
- Allow override of Prop. 13 property tax limits for school spending
- Authorize local sales tax for schools on majority vote
- Give Leg. and governor greater flexiblity to adjust Prop. 98
- Remove authority for state Bd. of Education and local county Bds. of Education from constitution
- Establish authority for local school boards

Local Govt.

- Authorize Multi-Agency "Community Charters" to consolidate local govt. functions
- Authorize additional revenue stream as an incentive to consolidate
- Require governor and Leg. to draft a state/local realignment plan, detailing specific functions of each level of govt.

Initiative Process

- Put all constitutional amendments on the November ballot
- Allow Leg. to amend initiatives prior to election, provided amendments are "consistent with the purpose of the initiative."
- Allow Leg. to amend any statutory initiative after six years

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While many of the suggestions reflected ideas that had been kicking around the Legislature for years, some bear the commission's own unique stamp. Almost from the moment the findings were released, however, fax machines started spitting out notices praising the process and scorning the specifics. The earliest casualty was the commission's most visible suggestion—movement from a two-house to a one-house legislature. Many commission members saw the unicameral legislature as a magnet to draw media attention to their efforts, but most of the serious attention came from recalcitrant legislators, who let it be known unicameral meant certain death for the commission's efforts. Another area in which little headway appears possible is in expanding the state's ability to contract services with the private sector.

Even without a unicameral legislature, the commission's recommendations, which were scheduled to be finalized at the end of March, remain extensive, reaching into every cranny of governmental structure (see page 16). "You've got to give them high marks for gaining a modicum of consensus that has escaped the Legislature," said Assemblyman Phil Isenberg (D-Sacramento), a commission member until he was dumped off by new GOP Speaker Curt Pringle.

While reaching consensus among 20 board members of varying philosophies is, indeed, an accomplishment, the degree of difficulty pales in comparison with the challenge of gaining consensus among 120 lawmakers, one governor and a phalanx of interest groups. Since the year began, the commission's findings have been picked at by critics from both ends of the political spectrum. The Howard Jarvis Taxpayers Association, guardian of that political sacred cow, Proposition 13, sees danger lurking in the commission's retreat from a two-thirds vote requirement on local school bonds and its plan to give local school districts more taxing authority. "What happens when the police come in and say, 'Hey, what about us?'" noted HJTA President Joel Fox. And what about the school community, guardians of that other sacred cow known as Proposition 98? They're even less impressed than the Jarvis folks.

"There definitely is an anti-Prop. 98 tone to the work," said California Teachers Association lobbyist Owen Waters. "Obviously, we didn't see any real change in tax policy."

In truth, it seems that for every recommendation, there is a force resisting the recommendation. Anti-tax and anti-government activists object to the call for a majority vote on the state budget. The initiative industry bitterly opposes plans to let the Legislature tinker with initiatives before they go to the ballot. The three constitutional officers whose functions would become appointed rather than elected—treasurer, insurance commissioner, and state superintendent of public instruction—all oppose the move. "I have a $27 billion checkbook," said state Treasurer Matthew Fong. "The voters have every right to have that office be directly accountable to them." Perhaps most vociferous in their objections are term-limit advocates, who object to the commission's proposal to allow both Assembly and Senate members to run for up to three four-year terms.

"I think it is unfortunate that the commission would essentially pit itself

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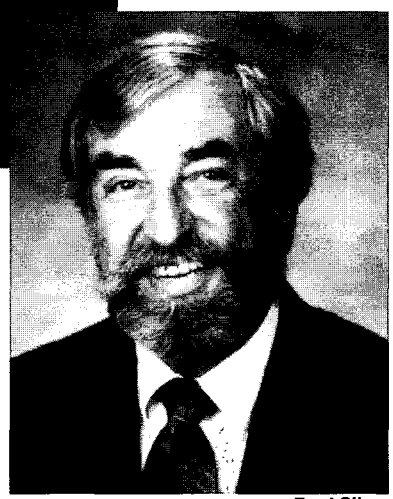
William Hauck

against the will not simply of a transient majority of the people but what is by every measure a growing majority of the people," said Alan Heslop of the conservative Claremont Institute, who also sits on the commission.

Interestingly, the one area given the best chance of achieving consensus is arguably the commission's toughest nut—local government restructuring. Some 7000 different governmental agencies operate within California, each jealously guarding its autonomy and often duplicating services. To prod these entities into taking advantage of the economies of scale, the commission proposed that local regions establish "community charters," in which counties, cities, school districts and special districts would identify cross-jurisdictional functions and pool resources to pay for them. Successfully enacted charters would be given a carrot for their good behavior—a guaranteed piece of the property tax and the ability to pass general obligation bonds by a majority, rather than a two-thirds vote. The state, meanwhile, would be required to lay out a specific "job description" for state and local government, so each knows what it's supposed to do, and where the money is supposed to come from. While charter cities remain worried their own taxing authority may be restricted by the charters, commission leaders are cautiously optimistic about working out a compromise.



Fred Silva

"What they landed on with local government was that they proposed processes to be conducted locally in the future, rather than imposing something themselves," said Steve Szalay, executive director of the California State Association of Counties.

With all but the final "i-dotting" and "t-crossing" completed, the focus now turns to state lawmakers, who must take the commission's recommendations and fashion them into something that can go before voters this November. The Legislature's track record for embracing

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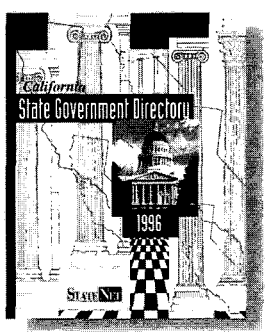

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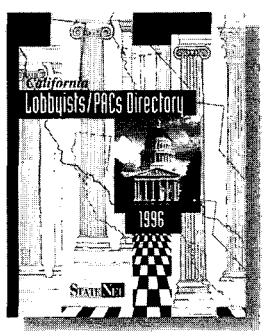

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big-picture government reform at any time is, at best, mixed, and such reforms are even harder to achieve in election years, of which 1996 is one. "All great changes are irksome to the human mind, because they have uncertain effects," conceded Silva. With special interests hounding them on both sides, the temptation for lawmakers to "cherry-pick" recommendations out of the commission's report will be strong.

"I'd say it's zero," said Senator Bill Leonard (R-Redlands) of prospects that the commission's ideas would survive the Legislature intact. "I think what will happen is that members who agree with individual recommendations will use that to advance their own proposals."

The commission is meeting this urge to purge head on, taking the breadth of opposition as a sign they are on the right track. "My pitch to people will be, 'If everyone's screaming over the recommendations, then it must be good,'" said Hauck. There are also some tactical advantages to pushing the report as a package. As a package, legislators can justify voting for things they don't like by pointing to things they do, taking the bitter with the sweet. Picked apart, all they get to take is bitter and nothing happens. "If you try to do it piecemeal, it never happens," said Tim Hodson, director of the Center for California Studies at Sacramento State University.

"Everyone's going to want to focus on one point and change it," said Isenberg. "Eventually, members will have to sit back and look at these as connected issues in the sense of creating a high-wire balancing act."

So what happens if nothing happens and the commission sunsets as scheduled sometime later this year? Will the California Constitution Revision Commission see its ideas become catalysts for broader debate about the way the state is governed? Or will its report be dispatched to the dusty, ever-lengthening shelf of studies that sounded good on paper but never made it into practice? Critics of the commission's findings predict it will become another dead letter. "It looks like another report that has a lot of pieces, none of which particularly go together," said Waters. For supporters of the effort, however, there are signs of encouragement. CSAC has launched its own public-private council aimed at restructuring local government. An even more ambitious effort, the California Governance Consensus Project, aims to use dispute-resolution tactics to forge compromise among conflicting governmental entities. Both efforts figure to use the commission's findings as a framework.

These signs give many commission members the conviction that it was worth all the effort. Hauck says the commission has already "set the discussion in motion" that could ultimately lead to the kind of structural change the commission sought. While such optimism may be excused of the commission's chair, it is also shared by many who have watched from the outside.

"You cannot look at the CCRC as just another think tank," said Hodson. "Even if the commission's proposals are not acted on, they've performed a great service by putting many of these things on the table in a manner that it will not be easy for them to be taken off the table."

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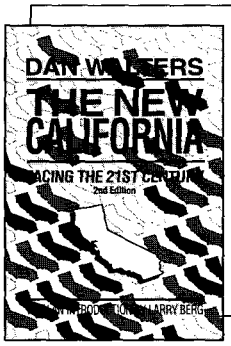

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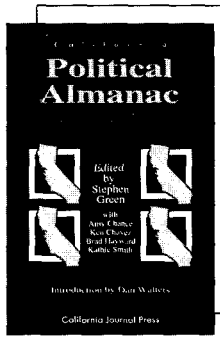

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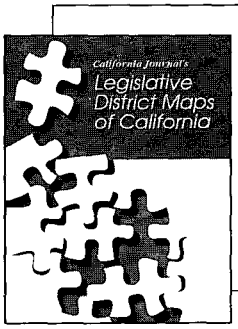

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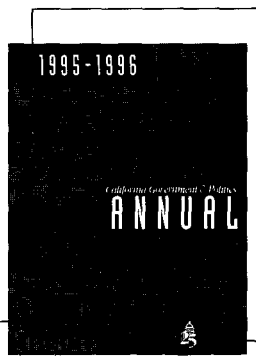

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Soapbox opinion

by Douglas P. Wheeler

Cooperation, not confrontation

Sacramento Bee columnist Dan Walters recently decried the tendency of advocacy groups to generate attention and support for their causes by casting issues in terms of crisis and polar extremes. His example was a "shrill" report from a prominent environmental organization. The report's "apocalyptic thrust," he said, "is not supported by the totality of available facts."

The consideration and debate of natural resource issues in California — by the public and by their elected representatives — often occurs in just such an unhelpful and unproductive atmosphere. Too often, the debate is characterized by hyperbole from individuals and organizations that purport to "fight" and to "protect" in opposition to those who would "gut" and "kill." However titillating, such a dialogue bears little resemblance to real choices and does nothing to improve management of natural resources.

The complexity and the breadth of contemporary environmental issues is best served by innovative and cooperative action, rather than facile rhetoric. Real progress in managing California's natural assets occurs, whether in Sacramento or in Washington, D.C., as the result of agreement at the political center when responsible stakeholders reject the extremes, create constructive partnerships and develop consensus.

Consider major elements of the record of the Wilson administration:

• **Habitat conservation:** Governor Pete Wilson's multi-species Natural Community Conservation Plan (NCCP) pilot program is an unprecedented experiment in ecosystem management covering approximately 6000 square miles of Southern California. Endorsed by two presidents, 59 local governments, scores of landowners, significant members of the environmental community and many others, the program is designed to protect acreage sufficient to assure survival of a complete ecosystem, while identifying for development or other uses those lands that do not possess unique natural characteristics.

Under the program, in San Diego County, plans covering 1.3 million acres and protecting over two dozen indigenous species of plants and animals are being prepared. In Orange County, one of two plans under review provides for reserves of more than 38,000 acres and permanent protection for as many as 25 species.

Adherents of the status quo might have preferred empty slogans and continued paralysis, forfeiting this opportunity for genuine progress in resolving a series of bitter conflicts between conservation and development.

• **Water:** In Northern California, we have similarly sought to address a resource conundrum that has been characterized by great division, environmental decline, and adverse economic consequences. In 1994 the Wilson administration and the federal government signed an unprecedented agreement that brought together the three major water interests (urban/industrial, agricultural and environmental) to address the long-festering and vexing issues of the San Francisco Bay-Delta, the linchpin of our water delivery system. This unprecedented and multi-faceted process holds great potential for the resolution of one of California's hottest "water wars" and further illustrates the benefits of comprehensive, balanced resource management.

• **Wetlands:** Since 1993, when Wilson announced a comprehensive wetlands conservation policy, California has witnessed an increase in the quantity of functioning wetlands statewide of approximately 78,000 acres, or over 15 percent. This progress has occurred as the result of strong incentives, careful planning and numerous public/private partnerships, not new regulatory burdens.

Our experience demonstrates that effective and sound natural resource management can be achieved through constructive new approaches to situations often plagued by gridlock and polarization. In each instance, advocates of progress have come together to create partnerships, break impasse, and effect environmental progress. Among these proponents of change are some of California's most influential environmental organizations, which have recognized the necessity of leaving the rhetorical sidelines and of contributing to achievement of real solutions.

The Environmental Defense Fund, for instance, played a critical role in forging the Bay-Delta agreement and continues to actively participate in the work on a long-term solution. The Nature Conservancy provides scientific and policy support in the implementation of the NCCP pilot program and for other important programs around the state. And the Planning and Conservation League has worked with us and other parties to achieve necessary reforms to the State Endangered Species Act.

Similarly, the private sector has provided creative leadership. The Bank of America, for example, has long encouraged water marketing. More recently, the bank established the state's first "conservation bank" that uses market incentives to encourage the bundling of environmental mitigation credits for maximum regional benefit of important habitat.

The Wilson administration is eager to expand its work with the private, public, and non-profit sectors to move beyond political polarization and to further useful collaboration for California's environment. By doing so, we can ensure that progress in natural resource management will be measured in real improvement on the ground, not partisan verbiage and posturing.

Douglas P. Wheeler, a former executive director of the Sierra Club, is Secretary for Resources in the Wilson administration.

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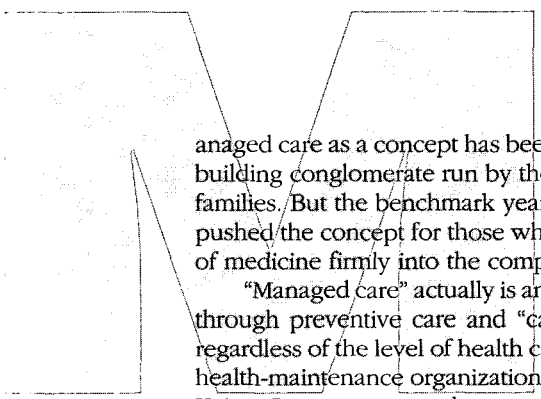
Managed care come of age

After more than a decade of explosive growth, HMOs find themselves at the core of a controversy over their priorities. Are they driven by the corporate urge to make money, or by the societal ethos to provide quality health care? And are the two compatible?

By Mary Beth Barber



anaged care as a concept has been around since World War II, when a multi-faceted steel and ship-building conglomerate run by the late Henry Kaiser provided its own doctors to workers and their families. But the benchmark year for managed care is 1982, for that is the year that the Legislature pushed the concept for those who depended on government for health care — thrusting the world of medicine firmly into the competitive marketplace.

"Managed care" actually is an umbrella term for a number of health plans that try to control costs through preventive care and "capitation" of costs — establishing a set annual fee per enrollee, regardless of the level of health care that ultimately is provided. Its most common manifestation, the health-maintenance organization (HMO) also is varied, although most consumers think of the giant Kaiser Permanente — the current incarnation of Henry Kaiser's program — where doctors are employed by the organization.

But Kaiser actually is the exception. The more common forms are:

- contract HMOs, that deal with one medical group;
- network HMOs, that work with a handful of providers; and,
- independent practice association HMOs (IPAs), that contract with doctors who also serve non-HMO patients.

Managed-care programs didn't begin to spread, however, until after California started to feel fiscal pressure in the wake of Proposition 13 — the 1978 property tax-slashing initiative. Faced with shrinking government revenues, especially at the county level, the Legislature in 1981 found itself in

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Mary Beth Barber, a former assistant editor of California Journal, *is a freelance writer in San Francisco.*

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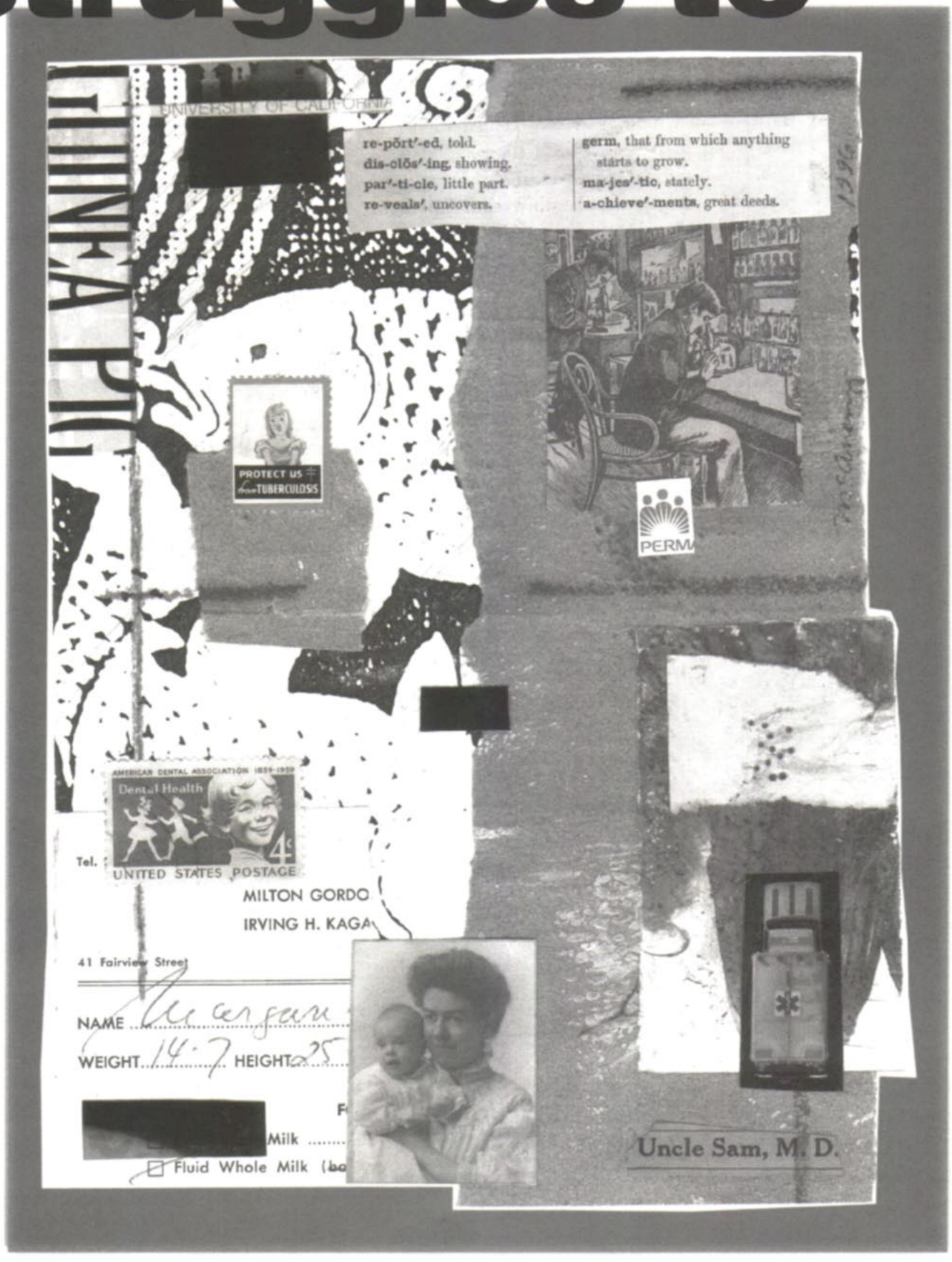
struggles to



Collage by Meg McAneny

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Steve Thompson

Quite simply, profits accrue and premiums are reduced if less care is rendered. The for-profit HMOs are in the business of making money.

— Thompson

a difficult position when it came to that part of the population that depended on government for health care — basically, those who were too poor to afford their own medical services and who were served through the state's MediCal program, which draws funding from federal, state and county sources. The state could either serve fewer MediCal patients or spend less money on each. The state chose to control costs.

Historically, most insurance companies and federal programs have reimbursed doctors and facilities on a "fee-for-service" basis. Patients could see the qualified doctor of their choice, or go to the most convenient hospital or clinic, and those doctors, hospitals and clinics — known as "providers" — charged a wide range of fees for each service rendered to a patient. Insurance companies, or the government, then paid the fee. For a variety of reasons, including the increased costs of more sophisticated technology and the influx of additional money through federal programs such as Medicare and Medicaid, inflation hit the health-care field, increasing costs at nearly three times the national rate of inflation by the early 1980s. The cost of health insurance skyrocketed as insurance companies passed on their increased costs to the folks who paid for that insurance — namely, individual consumers and employers. Employers, in particular, complained to the Legislature.

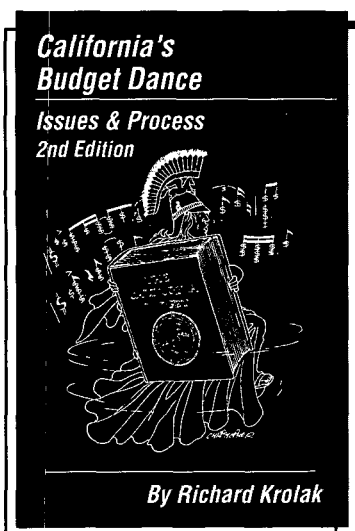
But it took a MediCal budget near $5 billion to spur lawmakers to action in 1982. The state's solution, as health-care expert Soap Dowell points out, was to inject marketplace competition into health care by contracting with doctors who offered favorable rates — rather than by turning the MediCal population loose to see any doctor or hospital. The rates themselves were negotiated and bids were competitive. According to Dowell, the Legislature then was persuaded to give private insurers the same authority that had been given to MediCal, extending marketplace competition to the private sector as well. It also helped insurers compete more adequately with the few HMOs because it freed them from the requirement that their clientele be able to choose any physician or hospital and allowed them to contract with an entity known as a Preferred Provider Organization, or PPO. Rather than charge a capitated fee like an HMO, PPOs negotiate fee-for-service rates that are fixed for a given period of time.

If 1982 marks the birth of managed care, then the system now is entering its teen-age years. Like all teen-agers, it occasionally requires a stern guiding hand. Sometimes, the system behaves responsibly toward its enrollees; at other times, it displays a contemptuous side that often is highlighted by the media. Although it still is growing, managed care is trying to decide what it's going to be when it matures — with doctors, executives and government as mentors tugging it in different directions.

"Managed care is causing a revolution in the way medical care is provided in this country," said Dr. Arnold S. Relman, editor-in-chief emeritus of the *New England Journal of Medicine*. Because the traditional one-on-one doctor-patient relationship has been replaced by medical networks of physicians and other providers, "it erodes the bond between the individual and doctor," said Relman. "The doctor has two masters now: the patient and the company."

Reminding the medical establishment that someone has to foot the bill is not necessarily a bad thing, said Byron Chell, executive director of the California Medical Assistance Commission, the state agency that oversees MediCal hospital contracts, who adds that preventive medicine is the best way to reduce the cost of providing medical care. "I like the idea of a group of doctors working as a team for my health."

Most HMOs created in the early '80s were simply health-insurance companies that converted to a "capitated model," one that limited physicians and encouraged primary, preven-



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By Richard Krolak

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tive care. Kaiser, the only major HMO to survive the '70s, was thriving and growing, and nearly all HMOs at that time were non-profit — a situation changed by a proliferation of HMO conversions from non-profit to for-profit over the past 10 years. Currently 13 non-profits exist, including Kaiser. There are 23 for-profit plans available, eight of which once were non-profit.

Exactly how the for-profit factor affects health care is at the core of the current debate over managed care. Profit motive is nothing new in health care. "Since the days of Florence Nightingale, there has always been a for-profit motive in health care," said Kurt Davis, a spokesman for Foundation Health, a for-profit organization.

Yet consumer studies have shown that patients really don't like the notion of a company making money off their health. Myra Snyder, executive director of the California Association of HMOs, pointed out that health care was initially supplied by missionaries as charity. "I don't think we can ever in the United States have ever shed that belief," she said. But whether a company is for-profit or non-profit has little to do with the health care they provide, she contends. "These are not monetary titles, but rather how they are structured. Some non-profits make money, and some for-profits go bankrupt."

The California Medical Association, however, doesn't see the differences as structural. "Quite simply, profits accrue and premiums are reduced if less care is rendered," said Steve Thompson, CMA vice-president for legislative affairs. "The for-profit HMOs are in the business of making money."

Relman is especially critical of the percentage of profits that go for administration and into stockholders' pockets. Non-profits typically dedicate around 10 percent for non-medical costs; similar costs for for-profits can vary anywhere between 15 to 30 percent.

CMA has been pushing legislation to discourage non-profits from converting to for-profit. Doctors feel their judgment and control over patient care is jeopardized by the profit motive; HMOs charge that doctors bear a grudge because their incomes are dwindling and because many medical specialists are finding themselves squeezed out by organizations that rely more and more on general practitioners.

Government officials like Chell disagree that for-profits can't provide good medical care at low costs. "If they provide the service, who cares?" he said. "You don't have to be dishonest or unethical to make money in health care."

Consumer groups tend to disagree. "The concentration on the bottom line is not what health care needs," said Harry Snyder of the Consumers' Union. He and others cite numerous horror stories to show that HMOs are concerned primarily with the bottom line, at the expense of sound patient care and treatment.

The place where these disagreements are sorted out tends to be government, where managed-care organizations are regulated. But even here, the trail of regulation can be confusing. The law most directly affecting HMOs is the Knox-Keene Act, passed in 1975 and designed to set regulations for all HMOs in California. But from the outset, Knox-Keene regards HMOs as businesses because they are under the purview of the Department of Corporations, not the Department of Health Services or the Department of Insurance.

"I am a long-time HMO enrollee," said Senator Herschel Rosenthal (D-Van Nuys). "Yet it wasn't until I became chairman of the Senate Insurance Committee that I realized that the DOC was responsible for regulating HMOs."

Lately, HMO regulation has been shadowed by a bigger question: What does the government do when a non-profit wants to convert to for-profit? The companies enjoyed tax benefits as non-profits, and executives in those companies stand to make a lot of money from conversion.

"I am disappointed in the non-profits," said Assemblyman Phil Isenberg (D-Sacramento) a few weeks after listening to a pre-conversion process. "The board members emphasized the lack of charity cases they took as a non-profit. Traditionally, non-profits wouldn't ever say that they didn't do charity cases. They all want to convert, so they say they didn't do much."

Many HMOs contend they have had to convert. Making ends meet without the benefit of having access to large amounts of capital — as for-profits do by selling stock — is almost impossible, they say. Competition has made health care a vicious world, and staying afloat is not easy.

"We found ourselves in the worst possible situation," said Leonard Schaeffer, CEO of the recently converted Blue Cross. Established in 1937 as non-profit insurance coverage, Blue Cross wanted to continue providing health care but was in grave danger of going bankrupt. The initial solution, said Schaeffer, was to create a for-profit subsidiary, called WellPoint Health Networks, that would be controlled by the non-profit company board.

In the past, non-profits heading down the for-profit road were required to compensate in some way for the years of tax breaks accorded to them as non-profits. In the case of Blue Cross, all of its assets — valued at $3 billion — will be

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contributed to a pair of new charitable foundations. WellPoint will raise additional cash via the sale of stock. Approval of the conversion was announced in mid March.

The creation of WellPoint was well underway and almost approved in the fall of 1994 by the Department of Corporations when then-DOC Director Tom Sayles left and was replaced by Gary Mendoza, who had a different take on the conversion. Blue Cross had assumed that the money it would be required to donate to charity would be low because the conversion to for-profit was only partial, in accordance with the deal Blue Cross had struck with Sayles. But Mendoza required a much larger set-aside — a move that Blue Cross representatives say forced them to completely convert to for-profit status. "It's ironic," said Blue Cross lobbyist Bob Scarlett. "Their actions basically forced us to convert."

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>
> — Herschel Rosenthal

Blue Cross agreed to $3 billion, and the company is further required to set aside 5 percent of its assets to the foundations every year as long as Blue Cross exists. The requirement was a move away from the DOC's "hands-off" attitude. But Mendoza thinks that the foundations set up by converted HMOs can solve some of the concerns the public has with for-profit companies. "For the not-for-profits, daily operations are their societal contribution," he said. For-profits have something separate, Mendoza adds. "If the foundations are led in a meaningful way, they can make a significant contribution." Mendoza says he's gotten phone calls from insurance commissioners in other states where Blue Cross plans also are considering converting.

Hospital conversions are the next area that lawmakers such as Isenberg are watching. HMO conversion legislation that mirrors some of Mendoza's requirements for Blue Cross was passed last year. But Isenberg notes a large number of non-profit hospitals are being bought by large for-profit chains. He's working with the Department of Health and the attorney general for future regulation.

The explosion in managed care, and the concern about its growth, isn't confined to the private sector. Both MediCal and the university teaching hospitals have been affected — MediCal for the better and university hospitals for the worse. MediCal is a huge potential market for managed-care companies. "The state is somewhat belatedly recognizing the benefits of managed care," said Department of Health Services Director Kim Belshe.

California has two different HMO models for MediCal. The 12 counties with the highest number of MediCal enrollees are implementing what's called the "two-plan" model. Patients will have a choice of a county-run HMO or a private plan that has contracted with the state. The second model, a pilot project in Sacramento County called geographic managed care (GMC), allows any HMO that meets state requirements to participate. Sacramento MediCal patients now choose from seven different plans. While there have been some implementation problems with the program, such as confusion from school officials about students' health coverage, "geographic managed care is a very positive story," said Belshe.

The biggest advantage for patients is access, continued Belshe. Finding primary-care doctors who would see MediCal patients has never been easy. "They'd end up in the emergency room for something like a child's ear-ache," she said. Now, MediCal patients are on an equal footing with people covered by private insurance.

Opening up MediCal to managed care is also slowly changing managed care, said Belshe. The plans approved for the two-plan models and for the GMC had to adjust for the MediCal population, especially expanding their language capabilities for the culturally diverse MediCal population. "The plans balked at first, but they're coming around," said Belshe. The more culturally diverse a plan is, the more patients it can attract. "Ultimately the plans will conclude that these type of standards make sense in a business way."

Educational institutions, on the other hand, have been hit hard by the managed-care explosion. "For-profit HMOs are not doing their part in education and research," said Dr. Gerald Lazrus, dean of the University of California, Davis, School of Medicine. Only 15 percent of the school's budget comes from the University of California. The other 85 percent is from research grants and clinical reimbursement. "We had previously been able to cross-subsidize from the money that comes from patient care."

If UC-Davis is not able to continue seeing patients in a normal setting — especially primary-care patients — "the opportunity to teach while seeing patients is really compromised," said Lazrus. Before, when teaching hospitals received the majority of MediCal patients, the federal government's medical dollars supported education. "Now the educational dollars are going into those for-profit HMOs," said Lazrus.

The universities aren't the only ones feeling out of control in this brave new health-care world. Rosenthal contends that consumers feel at a loss when it comes to evaluating their insurance. "Who protects their interest in getting reliable information to help them secure quality HMO services?" he said. HMO-initiated studies and polls lack credibility, he contends. The one national organization that monitors and accredits plans, the National Committee on Quality Assurance, has a reputation for independence. But the NCQA was recently sued by an HMO that received an unfavorable report, and Rosenthal thinks the case may taint future analyses.

Proposals for report cards and analyses are floating around the Legislature to encourage HMOs to base their companies on care not costs. But Californians are unique in their acceptance of medicine as a business, said Relman — a concept that has not caught on in the east. Part of the HMO-for-profit trend could be linked to California doctors' attitudes towards medicine. "I think California will be one of the last states to realize that a profession is not a business," said Relman.

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Southern Exposure
perspective

by Sherry Bebitch Jeffe

African-American power

Over the years, the political power of African-Americans depended on stability. Blacks stayed the course politically. They were high-propensity voters who consistently came out to vote for Democrats. Once elected, African-American officeholders tended to stay there, building seniority and gaining power.

But a first glimpse of the 1996 elections indicates that, in Southern California, the future of African-American political power is dependent on change — political, demographic, and in strategy and tactics. What does the new African-American political leadership look like? How does it differ from the older generation of political leadership?

Actually, new leaders and potential up-and-comers look, in some cases, a lot like their elders. That is because they are their children. The concept of "family" has long played a role in Black politics but as strictly a *political* entity. The older generation of African-American leaders were often brought into the system through allegiance to or alliance with Anglo politicians. Former Congressman and Lieutenant Governor Mervyn Dymally, Assemblyman Willard Murray Jr. and Congressman Julian Dixon are among those Black leaders who can trace their political lineage back to the late Assembly Speaker Jesse Unruh. Dymally went on to build his own political operation; Dixon allied with the Westside political organization of now-Congressmen Howard Berman and Henry Waxman.

The new generation of African-American leadership is shaping up to be, literally as well as politically, family. In the race for the Democratic nomination in the 52nd Assembly District, Melinda Murray ran to replace her father, Willard. Her brother Kevin was elected to the Assembly in 1994. When Assemblywoman Juanita McDonald decided to challenge Willard Murray in the race to replace resigned Congressman Walter Tucker, McDonald's son Keith sought to fill *her* Assembly seat. Mark Dymally, son of Mervyn Dymally, ran for the Democratic nomination in the 51st Assembly District to replace another political legacy — Curtis Tucker Jr., who succeeded *his* late father.

But the family mantle has not been easily transferable. Ask Congresswoman Maxine Waters. In 1986, then-Assemblywoman Waters helped her son win the Democratic nomination in an open and supposedly safe Democratic Assembly District. But the younger Waters went down to stunning defeat in the general election. When Mervyn Dymally retired from Congress in 1992, he tried to hand off his seat to his daughter, Lynn. But it didn't work. Then-Compton Mayor Walter Tucker won the Democratic primary and later the election.

Nonetheless, this year's primary contests include an unusually high number of political children looking to follow in the footsteps of their parents. What's going on?

Part of the answer is found in term limits. With numerous open seats up for grabs, spending is high and races are more competitive. Minority candidates traditionally have difficulty raising campaign funds. A well-connected parent or sponsor can help. And, particularly in a crowded primary field, name recognition gives second-generation politicians a head start.

Another thing that sets new Black leaders apart, says Assemblyman Kevin Murray, is "that we all know how to operate campaigns." And so do their parents. Waters, Willard Murray and Mervyn Dymally are all seasoned campaign operatives. And each controls one of the most powerful political tools in the African-American community: the endorsement slate.

Term limits have already led to a diffusion of Black political power because of increased legislative turnover. Seniority has been critical in allowing minorities to achieve and maintain power within political institutions. That's gone, in Sacramento and in Los Angeles city government.

Demographics also threaten African-American political clout. Several "Black" electoral districts are becoming increasingly Latino. For example, the population of the 52nd Assembly District is now 49 percent Latino. But, according to the California Target Book, "Latinos account for only 14 percent of the registered voters, so the day when a Latino contests for this district may be years away." Nonetheless, it's coming.

The 1996 primary races showed increased involvement by Latino political leaders in these changing districts. The Target Book notes that Senator Richard Polanco (D-Los Angeles) and Assemblyman Cruz Bustamante (D-Fresno) endorsed Mark Dymally in the 51st Assembly District and Bob Campbell in the race to replace Assemblywoman Marguerite Archie-Hudson. Speculation is that Latino leaders are looking to help elect African-American legislators who might then support Latino lawmakers for leadership posts.

The struggle to define future strategies and tactics boils down to a debate over coalition-building vs. confrontation politics. There appears to be a growing realization among Black political leaders that some kind of coalition-building will be needed to maintain African-American influence. But, worries Ed Johnson, a top aide to Congressman Dixon, "part of the real challenge is doing coalition-building in a polarized political environment."

What then, *is* the future of Black political power in Southern California? L.A. City Councilman Mark Ridley-Thomas, who represents a district whose population is 40 percent Latino, but whose electorate is about 90 percent African-American, believes "the real question is what will be the potency of the African-American voting bloc." He sees issues, such as affirmative action, as a key to motivating Black voters.

Congressman Dixon says it is inevitable that the demographic arithmetic will shift electoral clout to Latinos at the expense of Black political power. "In the future, as their power [to win open seats] diminishes, Blacks will be able to decide which Latino goes to Congress, the Assembly, the state Senate. That is going to be their power."

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What's a gover

After years of national and state debate over the role of government in the delivery of health care, it is still virtually impossible to find any consensus. In the words of one longtime participant in the debate, "I am stumped."

By Lynelle Jolley

Thirty years ago, with a stroke of President Lyndon Johnson's pen on the Medicare and Medicaid legislation, a new era in health-care policy began. From that day forward, the government made a commitment to bring the nation's elderly and its poorest citizens into the mainstream of American medicine. Hospitals and doctors started getting paid for what they'd been giving away. And with the establishment of this "mainstream" principle in our social conscience, it has become clear there is no going back.

Now Medicare is the proverbial "third rail" of politics: Touch it and die. For the nation's growing number of senior citizens, universal coverage has been achieved, and its beneficiaries guard it as carefully as life itself. As for Medicaid, while there is a national debate over moving it down the government food chain in the form of block grants to states, few seriously propose a return to reliance on charity to serve the poor. But the huge bill that government, at all levels, now pays for these two programs — estimated to be $328 billion in 1995 — combined with the fact that 40 million people nationwide still are uninsured either publicly or privately, raise fundamental questions about what the government's role should be in health care.

"While many argue that the marketplace can drive health-care reform without the hand of government, experience has shown us that in fact government has an important role to play," says Burt Margolin, former Democratic assemblyman who chaired the Assembly Insurance Committee and now is a private consultant.

The shift from a system where a third party paid for each service with a fee — fee-for-service — to a system of managed care appears to solve the inflation problem in medical care, at

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nment to do?

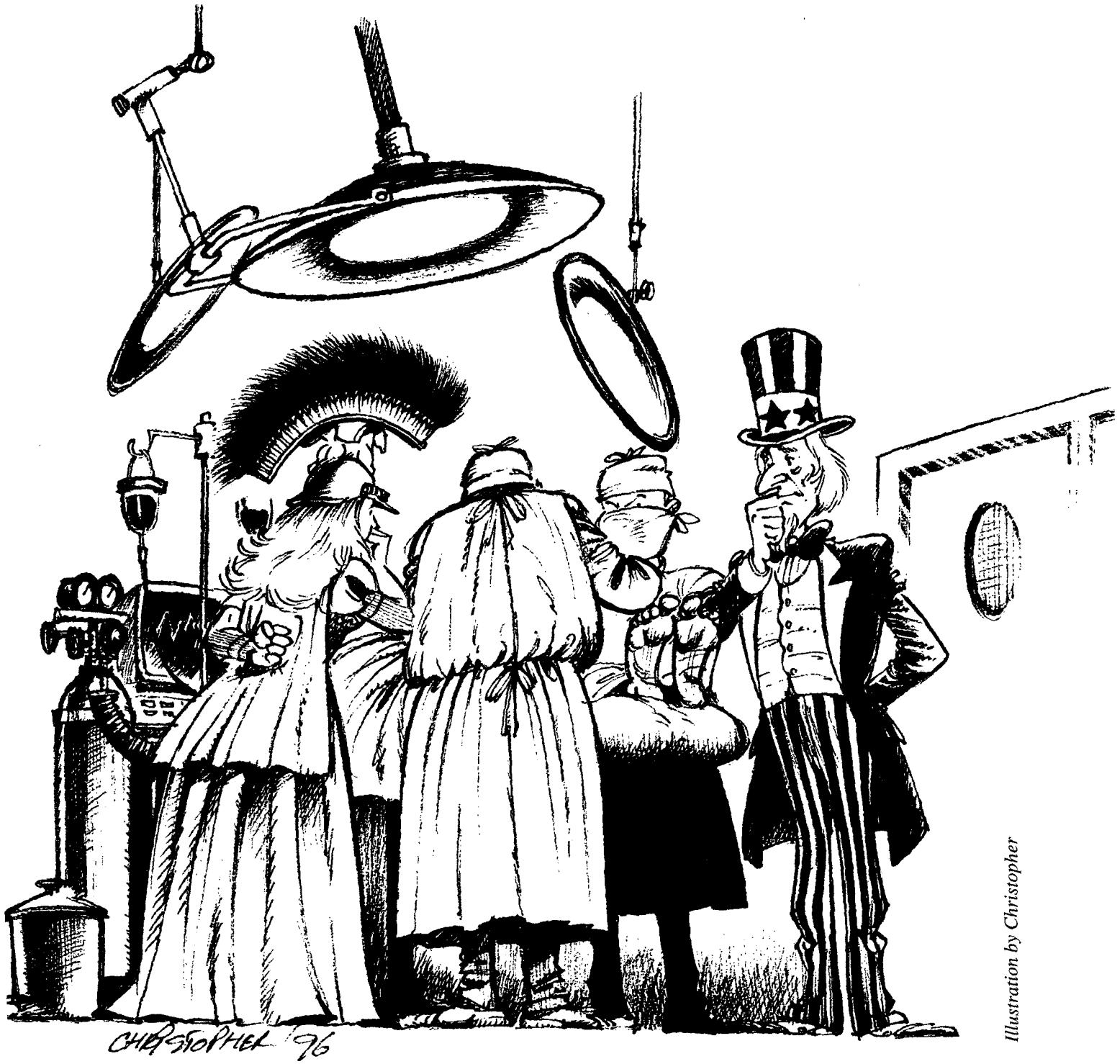

Illustration by Christopher

least temporarily. In California, with its highly competitive managed-care marketplace, the growth in health expenditures is far below the national rate. According to a study by the RAND Corporation, California's pro-competitive approach to controlling costs resulted in significantly lower growth rates from 1980 to 1991 than in states with well-established government rate regulation. Does this mean we should leave it to the private sector to control costs? The authors of the RAND study say that there needs to be research on the question of how managed-care plans achieve savings — increased efficiency or reduced access and/or quality. They cite evidence, for instance, that in California, such competition has contributed to a reduction in access for the uninsured population as hospitals find it increasingly difficult to absorb the costs of uncompensated care.

Harold Luft, a health-care economist at the University

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While many argue that the marketplace can drive health-care reform without the hand of government, experience has shown us that in fact government has an important role to play. — Margolin

Margolin Bronzan

of California, San Francisco, says that the marketplace is indeed downsizing the system, a trend he feels eventually will allow everyone to be covered, but he cites pitfalls along the way. "Unfortunately, some people are losing coverage and some institutions are being forced out of business, but not necessarily the low-quality ones which should be forced out," said Luft. "In the long run, the profits will be driven down and expenditures that aren't directly helpful to good health will be eliminated, so that eventually the government will be able to step up and provide coverage for the uninsured."

Government's role goes beyond that of financier, however. Traditionally government has been the regulator of quality, whether it's the licensing of physicians or other providers, the licensing of hospitals, or the licensing of insurance plans and health-maintenance organizations. "The marketplace can be pretty unforgiving to people who think they are getting a good health plan that turns out to be a lemon," says E. Richard Brown, director of UCLA's Center for Health Policy Research. "Government needs to assure that plans meet basic standards for financial stability, [cover] a comprehensive range of benefits that includes preventive care and appropriate access to specialty care, and actually deliver on what [they] promise people who join the plan."

Physicians have long resisted governmental interference with the practice of medicine, but many are frustrated with today's carrier-dominated system. Recently reports have surfaced of disgruntled physicians who feel that financial considerations are taken more seriously than their professional opinions. "In our zeal to control costs, we have allowed corporate concern over profit to compromise medical decisions," says Steve Thompson, vice president of the California Medical Association and its chief lobbyist.

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"Most physicians don't believe that medical decisions should be legislated. But to the extent those decisions are being made in corporate boardrooms, without any physician involvement, legislation — where physicians at least have a chance to have input — is preferable to a corporate mode of decision making."

To illustrate his point, Thompson cites the example of insurers who require mothers and newborns to be released from the hospital within 24 hours, putting doctors in the position of having to argue why mothers should be allowed to stay longer in some cases. Legislation has been introduced in several states, including California, to return that decision to the doctor. When New Jersey passed such a law last year, economist Uwe E. Reinhardt at Princeton University wrote in a *New York Times* op-ed piece that it symbolized "a pervasive distrust of the private health-care market. For years voters have clamored for government to get off their backs. Yet now, at the first sign of discomfort with the private market, they have clamored for government to climb right back on."

Is the current regulatory model the only way government can protect the public interest and influence the health-care marketplace? Not according to former Assemblyman Bruce Bronzan, now associate dean at UCSF's Fresno Medical Education Program. "Government needs to think of itself as a purchaser, not a regulator, and use its purchasing leverage to get the best possible health outcomes for the price," Bronzan says. He notes that many county governments in California, responsible for providing medical services to the state's 6.5 million uninsured persons, are finding they cannot afford to care for medically indigent patients and compete with private hospitals for patients under capitated health plans — those that pay a fixed fee for each patient. Bronzan says this is leading more and more local governments to consider purchasing indigent care from the private sector rather than provide it themselves. The state also is moving to a purchasing role by negotiating with public and private managed-care plans to serve Medicaid beneficiaries. Bronzan sees governmental entities holding great untapped bargaining strength in their collective Medicaid, indigent and public-employee populations. With so many people to purchase health services for, he feels government can negotiate concessions in the marketplace, including the release of data that can be used to measure quality, more effectively than by using direct intervention.

Nothing the government has done so far has been focused directly on making health care available to everyone. Instead, its role has been shaped by the public's demand for quality, affordability and other issues of concern to the population that already has access. Attempts to achieve universal coverage by requiring employers to provide health benefits have been largely unsuccessful. The 1993 reform plan put forward by the Clinton administration mandated that employers foot the bill, as did Proposition 166, defeated by California voters in November 1992. Meanwhile, a growing number of employers are opting not to provide health benefits, swelling the ranks of the uninsured. What's a government to do? "Either we will have to require all employers to help pay for coverage for all their employees, or we have to turn to government to do it. A single-payer system is the most efficient and effective way to cover the entire population," E. Richard Brown says.

Arguably an expanded version of Medicare, a single-

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payer system would leave the actual delivery of services in the hands of the private sector, with the government financing a comprehensive set of benefits for all citizens. Proponents say it is more equitable and would be less expensive than what the private and public sector already pay for health care — $938 billion nationally in 1994, or 14 percent of the gross domestic product.

So, why hasn't a single-payer plan been adopted? "We have this belief in this country that government can't do anything right," says Congressman Jim McDermott (D-Washington), sponsor of a single-payer bill in Congress.

In California, voters rejected Proposition 186, a single-payer initiative on the November 1994 ballot. One of its authors, Dr. Vishu Lingappa, a professor of medicine at UCSF, says that long-term care, which would be covered under single-payer, is a more serious problem than most people realize. To receive assistance under the current system — unless one has private long-term care insurance, which most people don't — a person has to spend down to the Medicaid eligibility level. Unless we adopt a single-payer system, Lingappa is concerned that most individuals won't be able to afford this care, and the need for it will go up as baby-boomers reach old age. Medicare's long-term care benefits are restricted and capped; California's cost to provide long-term care under Medicaid is expected to double or triple through 2020.

One of the arguments used against single-payer is that it would lead to rationing, a sticky subject that society generally avoids. For example, should the government spend as much of our health care budget on extending the life of a 90-something adult as a 10-year-old kid? Richard Lamm, former governor of Colorado and now director of the Center for Public Policy and Contemporary Issues at the University of Denver, is one of those who says we have a bigger duty to the 10-year-old. "The genius of American health care has led us to develop more medicine than we can afford. We have to set limits," he says. Lamm urges Americans to engage in a "community dialogue about how we put our health dollars to the highest and best use."

UCLA's Brown cautions us not to pit elders against children, but acknowledges that the rationing in our current system — by price for those who are uninsured and by utilization controls imposed by health plans for those who are insured — needs to be done in a more thoughtful and deliberate way. "We should remove financial incentives that enable doctors, hospitals, and health plans to make more money either by giving more care than is necessary or even desired by patients or by withholding care that would be beneficial," says Brown. "We also need to involve patients and their families in these decisions, rather than allowing them to be made arbitrarily by government or health care providers."

Where does this leave us? Is there consensus emerging on the government's role here, or do the life-and-death issues involved in health care not lend themselves to easy casting? The comments of Soap Dowell, longtime veteran of the health-care wars as a former lobbyist for Blue Cross of California, reflect the conundrum: "The bottom line is that I do not know what government should or could do because the only things that might help are politically impossible. I have worked at it as long as anyone, and I am stumped."

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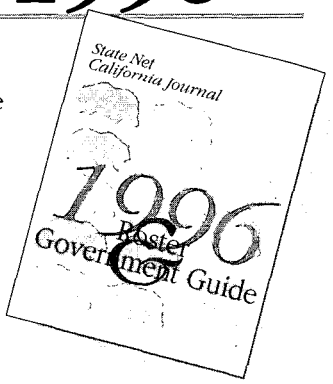

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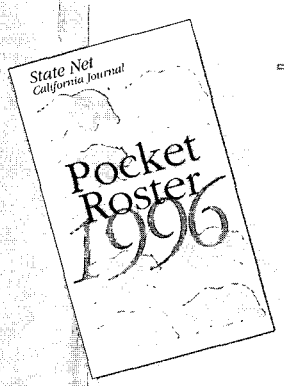

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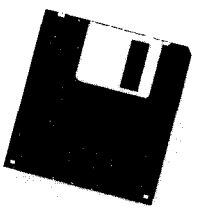

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The Bottom Line

government finance

By Susan Rasky

The health-care ballot

It is one of those immutable laws of California politics. The more complex, confusing and emotional an issue, the more likely it is to wind up before voters in the form of a ballot initiative. Behind door number one: the Patient Protection Act of 1996, sponsored by the California Nurses Association and Harvey Rosenfield, author of the Proposition 103 auto-insurance reform measure. Ralph Nader is on board as well. Behind door number two: the Health Care Patient Protection Act, sponsored by the Service Employees International Union, California Physicians Alliance and Neighbor to Neighbor, an Oakland-based health-care reform group.

Both proposed initiatives are aimed at curbing financial and administrative practices in the managed health-care industry that critics say are eroding the integrity of the doctor-patient relationship and the general quality of medical care. In an industry that seems to have transformed almost overnight from fee-for-service to managed care and then again from non-profit to investor-owned, critics abound, as do frightening tales of cost containment run amok.

Some of the most damning criticism comes from physicians, who increasingly find themselves subject to contractual arrangements with health-maintenance organizations that base payment on measures of cost and utilization and then forbid disclosure of those arrangements to patients, or from nurses who contend that staff reductions and substitution of less skilled caregivers in some facilities jeopardize patient care.

While many of the arguments about the perils of tying physician income to corporate interests are familiar, the more interesting point is how rapidly and unpredictably the structure of the managed-care industry has changed and how little anybody knows about the impact of those changes on the quality or availability of care. Virtually all of the sound research on quality of care provided by HMOs has assessed non-profit plans with salaried physicians, a model now being eclipsed. In a sane world, that data vacuum might prompt efforts to find what is actually happening in an industry that profoundly affects the lives of millions of people.

In California, there is a rush to the ballot box, virtually guaranteeing that voters will be venting their collective spleen on yesterday's problem even as tomorrow's takes shape. Both proposed initiatives seek to establish "safe and adequate" staffing standards at public and private health-care facilities, including those not licensed by the state. The CNA/Rosenfield measure would require that the standards specify numbers and classifications for various types of caregivers, a provision that some critics have dubbed "the nurses full employment act." Both measures outlaw so-called gag rules that prohibit physicians or other health-care providers under contract to health companies from doing or saying anything that might undermine confidence in the quality of care the health plan provides or from disclosing details about the plan's finances or procedures. In addition, the measures ban health-care companies from paying bonuses or offering other kinds of financial incentives to doctors or nurses for denying, withholding or delaying care to a patient. There is much more, too much to detail here.

Woe to even the most intrepid voter trying to parse the more subtle differences or similarities between these two measures, or heaven forbid, trying to figure out whether either one usefully addresses newer kinds of subcontracting and risk sharing arrangements. And don't bother looking to the overworked Legislative Analyst's Office for help. Elizabeth Hill and her staff guesstimate that administrative and indirect costs to state and local governments resulting from the initiatives could run to several hundreds of millions of dollars a year .

Most of the provisions in both measures have been or soon will be introduced in the Legislature, and according to the California Medical Association, there are already some 80 bills dealing with various aspects of health-care industry regulation now percolating in the Senate or Assembly. The quantity of bills is certainly no guarantee of action, but the fact that many of the bills enjoy bipartisan support is a hopeful sign that lawmakers understand the consumer backlash against managed care and its implications.

Managed care and hospital industry executives are keeping a wary eye on the Legislature and preparing to organize an opposition campaign should either of the initiatives qualify. For now they argue that the industry is already well-regulated and that competitive forces are pushing companies to deal with the consumer complaints that are fueling the initiatives.

As for complaints from medical professionals, HMO executives contend that doctors are squawking because their once-unfettered ability to order up excessive or unnecessary procedures for patients and pass the costs along to insurers is now being disciplined by the forces of the marketplace. That argument may be partly, or even largely true.

But it ignores more basic truths. Consumers do not shop for medical care, employers do, and employers' interests coincide with those of managed-care plans for options that cost the least. Laws developed to regulate the medical marketplace of the 1970s, when managed care was in its infancy, no longer provide appropriate checks and balances for a multi-billion dollar industry whose bottom line is now dictated by Wall Street.

The initiatives proposed for the November ballot are not the way to correct the distortions and imbalances in the current managed-care market. But they ought to be a wake-up call for the managed-care industry that it is facing much more than a simple public relations problem.

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Governor Pat

In public life, a good mean streak can serve a politician well. But Pat Brown, a man of humor and humility, wouldn't have known what to do with one. As a result, his successes and failures were the stuff of legend.

If Edmund G. (Pat) Brown had not been a practicing Catholic, he might have been president. But if he had been less a religious man, he might also have been just another governor, not one of the great leaders of his time. It took a good many years of working for the man to realize that — to settle gladly for the things he did, not the things he might have done — but the first story I ever read about him left no doubt that he was a treasure of sorts.

Brown's first winning campaign made him San Francisco's district attorney in 1943. He was a long shot, promising to clean up bookmaking and whatever else passed for serious crime in the 1940s. Like most beginners in politics, he never had quite enough money for his campaign. But the odds against him were very good, so he found a bookmaker and bet heavily on himself. When he told that story to a small Democratic dinner, he was the attorney general of California, testing his chances of getting to be governor. The artless honesty of this joke on himself, even in those long-dead days when politics was an honorable calling, made him seem a bit more honorable than the rest.

Now Brown is dead and the legend of the man and his two terms as governor of California is bound to flourish and grow.

In time, the artless honesty of his 1943 campaign bet will guarantee his legacy as the most decent man of any particular standing in 20th century politics. Who else, for example, would have moved as district attorney to dismiss what he would have called a lead-pipe cinch conviction because he had decided his star witness was lying? Who else offered proper medical care for poor people, not because of public demand but because it seemed the right thing to do?

Pat Brown will be remembered mostly for big-ticket achievements: He built more than 1000 miles of freeway and added 11 campuses to a public university network that supports the state's high-tech economy and is so largely responsible for the sense among Californians that no matter how hard times may be, something will always turn up. He pushed through programs to shield the wet northern parts of the state from flood waters, much of which was then diverted to irrigate the fertile but dry lands of Southern California.

Legends make history easy to write the same way numbers make it possible to draft a budget, but neither tells a whole story. In Brown's case, the legend is not going to explain how he got so much work done without a mean streak. It will not tell us why he worked so hard at the job, although one clue is common enough among budding politicians: He ran for every open office in high school.

But in an interview some years ago, Bernice Layne Brown, who married Brown in 1930, came as close as any explanation ever offered for her husband's dedication to governing, aside from the fact that he truly loved his state. He often talked, she said, about a Catholic prayer offered for earth's truly lost souls, for people who were by any human standard not only out of the world's sight but out of its peoples' minds. Maybe, she said, he adapted the prayer to cover the least of all Californians, and his satisfactions in political life came from the things he was able to do for them.

News stories about Brown's death on February 16, 1996, came in two waves. The first talked about this

Jack Burby, who served as press secretary to Pat Brown from 1960 to 1967, retired in 1992 as deputy editor of the Los Angeles Times *editorial pages.*

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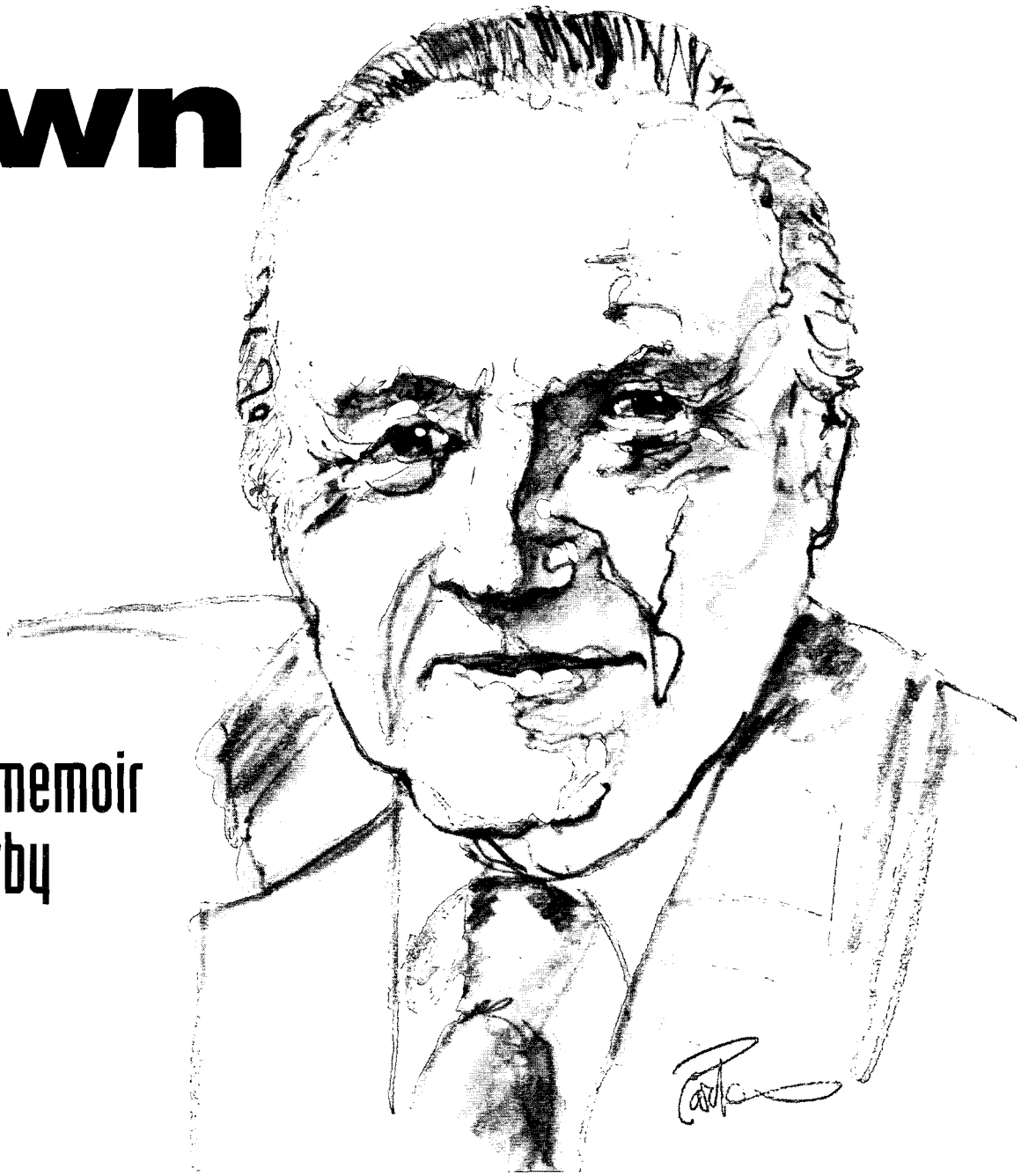
Brown



A personal memoir by Jack Burby

political giant who defeated the minority leader of the U.S. Senate to become governor and then Richard Nixon to hold onto the job for four more years. Many in the second wave asked whether Pat Brown really was — as the late Chief Justice Earl Warren once said of him — the greatest California governor of the century, or whether he just looked good compared to the people who took over after he left Sacramento.

Certainly California government has grown increasingly barren since he left Sacramento. In his time, government officials went downtown every morning to see what they could build that day. Ten years later, they went downtown to see what public services could be salvaged. After work, a lot of them went to the Torch Club to mourn the passing of the honorable calling. And in the process, politics turned more and more to theological bickering over matters that are less and less important even to the people who win elections.

There is some truth in both of these views of Brown. Warren, who won three terms as governor, took improvement of the services government could offer as seriously as Brown later would do. He built better roads and stronger medical programs, planned water systems and ways to protect the environment — every move designed to improve a quality of life along the Pacific that was already better than most other places on earth. By the time Brown was elected in 1958, much of the planning had bogged down. But he had already served for several years as Warren's attorney general, and they saw what needed doing in the same way.

What Brown brought to the job was energy, a sense of fun and humor, optimism, a deep love for California, and a feel for people. As a result, he used to coax and gently bully government into doing what he wanted it to do. He once told a press conference that he couldn't deny one charge his opponents always made against him: "I really want people to like me."

William Bagley, a former Republican assemblyman, now a University of California regent, says: "Pat Brown made you want to hug him. Can you imagine wanting to hug Richard Nixon?"

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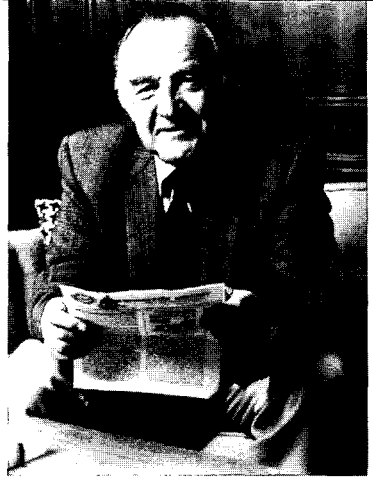

A good mean streak has served many political leaders well over the years. Brown wouldn't have known what to do with one. Turning the other cheek was more his style; which, as his water plan, his master plan for education and so many of his other missions demonstrated, is not the same as giving up. Brown had as much self-confidence as any politician. He understood that he was more a man of destiny than most can hope to be. But there was also a strong streak of humility in him, one that gave him a sense of limits, both for himself and for his missions.

The first time that Roy Ringer, the best speech writer on the Brown staff, turned in a speech he had drafted to see what the governor thought of it, the draft came back with a marginal note: "I am not Adlai Stevenson. Please try this again in language that I can work with."

Now and then, if a new law he was particularly proud of or a speech about something he felt strongly about failed to get any particular notice in the media, he would say: "Now, you're my press secretary. How does it happen that nobody appreciates my greatness?" It was a line that was always delivered with a grin and a chuckle and it never went beyond shop talk, but it was then, and remains to this day, a very good question.

And when it became clear in 1960 that there was no chance that John F. Kennedy, the first Catholic to be elected president, would take a Catholic as his running mate, Brown sealed off the border of his ambitions so tightly that he seems never to have looked very closely at any venture that would take him from California for more than a few days at a time.

Even Brown's optimism had limits, however. When it became clear that Nixon would be his opponent in the 1962 gubernatorial campaign, he spent weeks asking old friends and political advisers whether someone else couldn't run a better campaign against the former vice president than he could. Some of his hesitation seemed genuine. Nixon, after all, had come very close to being president. Some of Brown's queries obviously were designed for no better reason than he loved to hear people assure him that he was the only man for the job.

But in April of that year, Brown made a joint appearance with Nixon during a meeting of managing editors at Stanford University. It was not a classic debate. Brown and then Nixon elaborated on the theme that each deserved the job more than the other. They answered a few questions and then went back to campaigning. It was the first time Brown had shared a stage with Nixon, and he didn't say anything on the long walk back to his car. But when he sat down and pulled the door closed, he slapped the seat hard and said, "I can take him." Finding a better candidate never came up again.

The campaign against Nixon was a classic. Brown talked of nothing besides California's problems and how to solve them. Nixon made sure some mention of solving state problems got into each speech but without dominating it. The general theme of the Brown campaign — that Nixon cared not about California but about keeping himself in the news until he could make another try at the presidency — proved right on Election Day. When Nixon left the voting booth, a United Press reporter asked how he had voted on one of the arcane ballot propositions that are put to voters every year. Nixon said he had skipped that one; it was too complicated.

Long before Warren showed up in California to join Brown in the duck blinds that year, Nixon knew he was up against two men. The chemistry of the Warren-Brown friendship is not recorded in any visible place. They were very different people — Brown, a Democrat with a night-school law degree and unabashed slapper of backs; Warren, a Republican and reserved veteran of a war Brown missed, a Berkeley degree. One thing that certainly bound them together was California and a shared sense of the qualities it took to govern her. They also agreed that Nixon's qualities did not make the cut. A friend remembers them at dinner in a Washington, D.C., restaurant shortly after the election, raising glasses to that point, not once but several times.

Timing was on Brown's side in many of his important fights — floods in the north when he needed northern votes for water projects, an explosion in school population when he needed help putting together a plan for guaranteeing tuition-free college for any student who made the grades. But he didn't always get the breaks when he needed them. He insisted that Berkeley was the place to air ideas as far to the left and right as the mind could reach. But he took the blame when campus authorities were battered by a coalition of left and right — Young Americans for Freedom and Students for a Democratic Society — in a united front that still is not widely understood in California.

Urban decay and a racism that Brown tried to soften with fair housing and fair employment laws burst into flames in 1965 in Watts and other areas. As it turned out, California whites were willing to do a little something for minorities, but one thing they were not willing to do at all was let them move in next door. At the same time, other Democrats made it clear they were getting tired of waiting for Brown to clear the way for them to higher office. And while Brown kept urging Californians to accept programs they were not comfortable with even if people needed them, Ronald Reagan was promising to let them relax and enjoy the good life. It is hardly surprising that voters listened to Reagan.

Governor Reagan, who would be president in little more than a decade, installed tax withholding after chiding Brown for even suggesting it. He raised the highest levels of income tax through steps to 11 percent and tightened up the brackets so the flow of tax funds in times of inflation would rise from a flow to a flood. So it was not a lack of principle that meant no more new campuses of the University of California after 1965 or that meant letting California public schools plunge from among the best to among the worst. It was a lack of interest.

Nothing Brown ever did, though, seemed more admirable to me than the way he campaigned in 1966 as hard as though he had a chance to win. He knew that Watts and Berkeley and a burning bank near the university in Santa Barbara and fair housing had hurt him. But he never let up and he never let down. And when it was over, there was no post-mortem, no attempt to place blame.

I can still see him sitting in a small propellor-driven airplane that was letting down through thick, cold fog over San Diego, looking for its runway. He was leafing through the *San Francisco Examiner* as though he had spent his whole life reading and listening to shards of ice being thrown off propellor blades and clattering against a fuselage.

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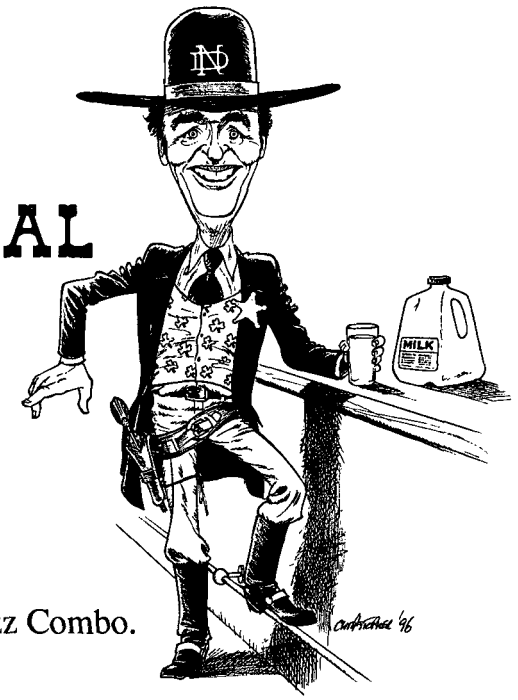

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Washington Notes

perspective

by Marc Sandalow

The death of retail politics

Everyone knows that retail politics have long been dead in California. With nine major media markets and 30 million residents, door-to-door campaigning is out and television is the only way to attract attention. But this oft-spoken truth about the Golden State makes it sound like in some uncorrupted corner of the nation there remains a purer and more natural style of going after votes.

If such a place exists, it is well hidden.

Having spent most of the month of February in New Hampshire documenting that state's storied primary, I can testify that the media has defiled any remnant of retail politicking. What remains is a miniature version of California, where mass media rules and television is king. Any semblance of retail politics seen from afar is only an illusion, artificially produced by the campaigns and perpetuated by a horde of out-of-town reporters.

Consider the morning of February 13, a bone-chilling day in New Hampshire, at a typical event one week before the first primary of the 1996 campaign. Former Tennessee Governor Lamar Alexander is scheduled to stop by a diner to meet breakfast patrons. It is the quintessential backdrop for a New Hampshire campaign event, the kind chronicled in Teddy White's "Making of the President" books.

I arrive 45 minutes early, thinking there might be time for a hot breakfast before observing the candidate greet the people of New Hampshire.

I am foolishly mistaken.

By the time I get there, the media is everywhere. It looks like a scene from Alfred Hitchcock's "The Birds." Satellite trucks crowd the tiny parking lot. Photographers are jammed behind the counter. Television crews spill from the kitchen. Newspaper reporters are crammed together in awkward knots. The doorway is packed with producers, lighting technicians and men carrying the boom microphones. Miraculously, I find a seat at the counter, squeeze in, and grab a muffin and a cup of tea.

A photographer behind the counter eyes my meal and kindly asks me not to finish it. It is not that he is hungry. But without my press tags on, I could pass for a real voter. From his vantage point — one arm leaning on the counter and the other balanced against a doughnut display — my muffin is nicely framed in the foreground of his lens. When the candidate arrives it will make the perfect shot of a genuine diner.

The plans collapse into chaos when the candidate arrives. Cameramen push to get close. Microphones on poles are dangled in front of the candidate's mouth. Photographers strain to get a shot. Reporters thrust their tape recorders hoping to pick up some insight. Beside me at the counter are two real voters. They are both nurses from a nearby hospital and they came to get a glimpse of the excitement.

Alexander finds them and the crush is now all around me. Everything that was on the counters — sugar containers, silverware, my muffin — is now on the floor. A cameraman sternly motions for me to duck down to get out of his picture. When Alexander moves on, the women are besieged by print reporters asking their name and ages. The women will be quoted in newspapers across the country as "typical New Hampshirites."

The candidate then comes to me.

I am dressed in a jacket and tie, not exactly New Hampshire casual, but I am devoid of press tags and there is no way for him to know I am not a voter. He gladly comes over and shakes my hand.

"You call this retail politicking?" I ask him.

"We do the best we can," he responds, still not sure whether he is talking to a voter or a reporter. "I'm just grateful for the cameras."

Alexander exits the diner and the tightly formed band of media surrounding him follows, looking like a rugby scrum in which the ball won't come loose. In less than 20 minutes, the diner returns to normal. That night, the evening news shows Alexander shaking hands with the nurses, engaging in just the sort of politics for which this state is famous.

But the pictures lied.

The event was nothing more than a Lamar photo opportunity staged to look like retail politicking. It is a scene repeated by each of the leading candidates over and over, day after day. Pat Buchanan took his show to an Elks Lodge. Bob Dole did his at a dog-sled race. It is certainly not shocking to discover candidates taking advantage of such backdrops to fool voters into thinking they mingle with common folk.

It is disturbing to watch the press play along; for the media not to turn the camera around is bad journalism. The crush of reporters trying to cover retail politics has completely smothered the story. Candidates couldn't get to voters if they wanted to.

All this is to say that the California experience is not unusual. It is true that California is television-driven. But so is everywhere else. The difference in California is the number of markets, not the nature of the campaigning. For a candidate to appear on the evening news across New Hampshire, he could breakfast in one Concord diner. In California, it might require a full day of breakfasts, with stops in Santa Rosa, Roseville, Merced, Barstow, and Chula Vista. And that makes it more expensive to compete out West and provides a strong advantage to well-financed campaigns.

But when pundits honor the New Hampshire primary for forcing candidates to get out and meet the people, don't believe it. It's no different from California. Just smaller.

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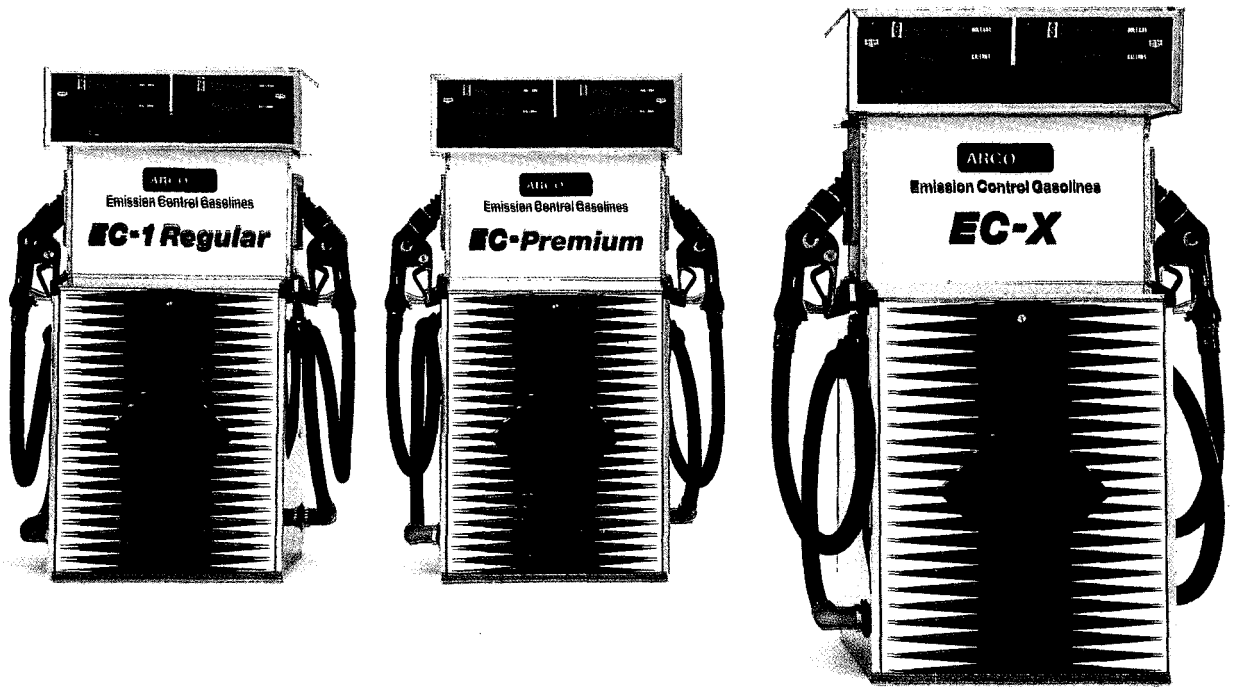

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